

4970. By Mr. FORD of California: Resolution of the Council of the City of Los Angeles, Calif., requesting that the House of Representatives and the Senate make provision for the usual Federal aid to highways during the years 1940-41; to the Committee on Roads.

4971. By Mrs. NORTON: Petition of Theodore W. Noyes and various other residents of the District of Columbia, favoring the adoption of resolutions which propose constitutional amendments empowering Congress to grant relief to the citizens of the United States resident in the District of Columbia; to the Committee on the Judiciary.

## SENATE

FRIDAY, APRIL 29, 1938

(Legislative day of Wednesday, April 20, 1938)

The Senate met at 11 o'clock a. m., on the expiration of the recess.

### THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Thursday, April 28, 1938, was dispensed with, and the Journal was approved.

### CALL OF THE ROLL

Mr. BARKLEY. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Chavez	Hughes	O'Mahoney
Andrews	Clark	Johnson, Colo.	Overton
Ashurst	Copeland	King	Pittman
Austin	Dieterich	La Follette	Pope
Bailey	Donahay	Lee	Radcliffe
Bankhead	Duffy	Logan	Russell
Barkley	Ellender	Loneragan	Schwartz
Berry	Frazier	Lundeen	Schwellenbach
Bilbo	George	McAdoo	Sheppard
Bone	Gerry	McCarran	Shipstead
Borah	Gibson	McGill	Smith
Brown, Mich.	Gillette	McKellar	Thomas, Utah
Brown, N. H.	Glass	McNary	Townsend
Bulkley	Green	Miller	Truman
Bulow	Hale	Milton	Tydings
Burke	Harrison	Minton	Vandenberg
Byrd	Hatch	Murray	Van Nuys
Byrnes	Hayden	Neely	Wagner
Capper	Herring	Norris	Walsh
Caraway	Holt	Nye	White

Mr. MINTON. I announce that the Senator from Oregon [Mr. REAMES] is detained from the Senate because of illness.

The Senator from Pennsylvania [Mr. GUFFEY], the Senator from South Dakota [Mr. HITCHCOCK], and the Senator from North Carolina [Mr. REYNOLDS] are detained in their respective States on official business.

I further announce that the Senator from Texas [Mr. CONNALLY], the Senator from Alabama [Mr. HILL], the Senator from Illinois [Mr. LEWIS], the Senator from Connecticut [Mr. MALONEY], the Senator from Florida [Mr. PEPPER], the Senator from New Jersey [Mr. SMATHERS], and the Senator from Montana [Mr. WHEELER] are detained on important public business.

The Senator from Oklahoma [Mr. THOMAS] is unavoidably detained.

Mr. McNARY. I announce that the Senator from California [Mr. JOHNSON] is necessarily absent.

Mr. AUSTIN. The Senator from New Hampshire [Mr. BRIDGES] and the Senator from Pennsylvania [Mr. DAVIS] are necessarily absent.

The VICE PRESIDENT. Eighty Senators have answered to their names. A quorum is present.

### MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Latta, one of his secretaries.

### MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Calloway, one of its reading clerks, announced that the

House had passed a bill (H. R. 10315) to amend the Merchant Marine Act, 1936, to further promote the merchant marine policy therein declared, and for other purposes, in which it requested the concurrence of the Senate.

### APPROPRIATION TO THE VIRGIN ISLANDS OF CERTAIN TAXES

The VICE PRESIDENT laid before the Senate a letter from the Secretary of the Interior, transmitting a draft of proposed legislation to authorize the appropriation to the government of the Virgin Islands of the United States of taxes collected under the internal-revenue laws of the United States on articles produced in the Virgin Islands and transported to the United States, and for other purposes, which, with the accompanying paper, was referred to the Committee on Finance.

### PETITIONS

The VICE PRESIDENT laid before the Senate a resolution adopted by Lake Front Lodge, No. 1132, Steel Workers Organizing Committee, of Hammond, Ind., favoring the President's recovery program, which was referred to the Committee on Education and Labor.

He also laid before the Senate letters in the nature of petitions from Local No. 209, of Cohoes, and Local No. 211, of Greenwich, of the textile workers organizing committee of the C. I. O., in the State of New York, praying for the adoption of the resolution (S. Res. 266) increasing the limit of expenditures for the investigation of violations of the right of free speech and assembly and interference with the right of labor to organize and bargain collectively, which were referred to the Committee to Audit and Control the Contingent Expenses of the Senate.

### REPORTS OF COMMITTEES

Mr. MINTON, from the Committee on Military Affairs, to which was referred the bill (S. 3350) to amend the act of March 9, 1928, authorizing appropriations to be made for the disposition of remains of military personnel and civilian employees of the Army, and for other purposes, reported it without amendment and submitted a report (No. 1669) thereon.

Mr. COPELAND, from the Committee on Commerce, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

S. 2971. A bill authorizing the Secretary of the Treasury to exchange sites for Coast Guard purposes (Rept. No. 1670); S. 3635. A bill to encourage travel to and within the United States, and for other purposes (Rept. No. 1671); and

S. 3823. A bill to equalize certain allowances for quarters and subsistence of enlisted men of the Coast Guard with those of the Army, Navy, and Marine Corps (Rept. No. 1672).

Mr. CLARK, from the Committee on Territories and Insular Affairs, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

H. R. 7259. A bill to authorize the conveyance by the United States to the city of Ketchikan, Alaska, of a certain tract of land in the town site of Ketchikan (Rept. No. 1673);

H. R. 7553. A bill to amend the laws of Alaska imposing taxes for carrying on business and trade (Rept. No. 1674); and

H. R. 7827. A bill to authorize public-utility districts in the Territory of Alaska to incur bonded indebtedness, and for other purposes (Rept. No. 1675).

Mr. CLARK also, from the Committee on Territories and Insular Affairs, to which was referred the bill (H. R. 7778) to amend section 26, title I, chapter 1, of the act entitled "An act making further provision for a civil government for Alaska, and for other purposes," approved June 6, 1900, reported it with amendments and submitted a report (No. 1676) thereon.

Mr. MILLER, from the Committee on Territories and Insular Affairs, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

S. 3894. A bill to convey to the University of Alaska a tract of land for use as the site of a fur farm experiment station (Rept. No. 1677); and

H. R. 9722. A bill to amend section 5 of an act entitled "An act to provide for the construction and maintenance of roads, the establishment and maintenance of schools, and the care and support of insane persons in the district of Alaska, and for other purposes," approved January 27, 1905 (33 Stat. 616) (Rept. No. 1678).

Mr. TYDINGS, from the Committee on Territories and Insular Affairs, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

H. R. 4275. A bill to correct United States citizenship status of certain persons born in Puerto Rico, and for other purposes (Rept. No. 1679);

H. R. 8403. A bill to ratify and confirm act 23 of the Session Laws of Hawaii, 1937, extending the time within which revenue bonds may be issued and delivered under act 174 of the Session Laws of Hawaii, 1935 (Rept. No. 1680); and

H. R. 8404. A bill to authorize the Territory of Hawaii to convey the present Maalaea Airport on the island of Maui, Territory of Hawaii, to the Hawaiian Commercial & Sugar Co., Ltd., in part payment for 300.71 acres of land at Pulehu-Nui, island of Maui, Territory of Hawaii, to be used as a site for a new airport (Rept. No. 1681).

#### BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. POPE:

A bill (S. 3931) to extend for 5 additional years the 3½-percent interest rate on certain Federal land-bank loans, and to extend for 5 additional years the period during which installments of the principal portions of certain of such loans may be deferred; to the Committee on Banking and Currency.

By Mr. COPELAND:

A bill (S. 3932) to amend an act approved June 14, 1906 (34 Stat. 263), entitled "An act to prevent aliens from fishing in the waters of Alaska"; to the Committee on Commerce.

#### HOUSE BILL REFERRED

The bill (H. R. 10315) to amend the Merchant Marine Act, 1936, to further promote the merchant marine policy therein declared, and for other purposes, was read twice by its title and referred to the Committee on Commerce.

#### AMENDMENT OF BANKRUPTCY ACT OF 1898—AMENDMENTS

Mr. AUSTIN submitted 16 amendments intended to be proposed by him to the bill (H. R. 8046) to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, and acts amendatory thereof and supplementary thereto; and to repeal section 76 thereof and all acts and parts of acts inconsistent therewith, which were referred to the Committee on the Judiciary and ordered to be printed.

#### AGRICULTURAL DEPARTMENT APPROPRIATIONS—AMENDMENTS

Mr. NORRIS submitted amendments intended to be proposed by him to the bill (H. R. 10238) making appropriations for the Department of Agriculture and for the Farm Credit Administration for the fiscal year ending June 30, 1939, and for other purposes, which were referred to the Committee on Appropriations and ordered to be printed, as follows:

On page 18, lines 19 and 20, to strike out the words "including personal services in the District of Columbia, \$56,838", and insert the following: "\$100,000; and for Extension Service work incident to carrying out the provisions of the Cooperative Farm Forestry Act (50 Stat. 188), approved May 18, 1937, \$100,000; in all, \$200,000, which amount shall be available for the employment of persons and means in the District of Columbia and elsewhere."

On page 34, line 8, to strike out "\$40,000" and insert in lieu thereof "\$76,635."

On page 34, line 8, strike out "\$4,000" and insert in lieu thereof "\$40,000."

On page 48, line 6, add the following after "\$100,000": "and for Forest Service work, in cooperation with the States or directly incident to carrying out the provisions of the Cooperative Farm

Forestry Act (50 Stat. 188) approved May 18, 1937, \$1,200,000; in all, \$1,300,000, providing that not more than 20 percent of this amount be expended on the Prairie States forestry project in the Prairie Plains region."

On page 48, lines 14 to 17, strike out the following: "Provided further, That no part of this appropriation shall be used to establish new nurseries or to acquire land for the establishment of such new nurseries."

On page 74, line 5, after "equipment", to insert "upon rural electrification."

On page 74, line 18, to strike out "\$401,200" and insert in lieu thereof "\$431,200."

On page 74, line 20, to strike out "\$176,955" and insert in lieu thereof "\$185,955."

#### ALLEGED MONOPOLY OF NATIONAL DISTILLERS' ASSOCIATION AND GLASS CONTAINERS' ASSOCIATION

Mr. NYE submitted the following resolution (S. Res. 272), which was ordered to lie on the table:

*Resolved*, That the Federal Trade Commission and the Department of Justice are hereby requested to send to the Senate such information as they may be able to afford, if not incompatible with any effort they may now be exercising, concerning the alleged monopoly maintained by the National Distillers' Association and the Glass Containers' Association.

#### TAXATION AND RELIEF RECOMMENDATIONS OF SMALLER BUSINESS ASSOCIATION OF NEW ENGLAND

[Mr. GIBSON asked and obtained leave to have printed in the RECORD a telegram from the Smaller Business Association of New England to the President of the United States relating to taxation, and a resolution of the same association relating to relief appropriations, which appear in the Appendix.]

#### BUSINESS AND GOVERNMENT—ARTICLE FROM FORTUNE

[Mr. BAILEY asked and obtained leave to have printed in the RECORD an article entitled "Business and Government," published in Fortune Magazine, which appears in the Appendix.]

#### STATE MEDICINE—ARTICLE BY JOSEPH F. THORNING, PH. D.

[Mr. TYDINGS asked and obtained leave to have printed in the RECORD an article entitled "The Challenge of State Medicine," written by Joseph F. Thorning, Ph. D., and published in the magazine Light, in the issue of February 1938, which appears in the Appendix.]

#### NAVAL EXPANSION PROGRAM

The Senate resumed the consideration of the bill (H. R. 9218) to establish the composition of the United States Navy, to authorize the construction of certain naval vessels, and for other purposes.

The VICE PRESIDENT. The question is on the amendment offered by the Senator from Michigan [Mr. VANDENBERG] in the nature of a substitute for the amendment of the committee.

Mr. NYE. Mr. President, the debate in the Senate on the super-super-Navy bill, as some are so aptly calling it, has most adequately demonstrated that there is no justification for fear of an attack from abroad on any such scale as would find us incapable of meeting that challenge with our present military strength. If there is need for more of that thing called national defense, and we are going to confine ourselves strictly to national defense, whatever may be needed can most definitely be provided by supplying the Army with a larger number of bombing and other aerial craft, and perhaps by additional submarine equipment. No one is seriously contemplating that any foreign foe or group of foes is going to be ready during our lifetime to present anything resembling a challenge against the United States or any part of this hemisphere.

Across the Atlantic today is a nation of people sweating and bewildered by the burdens which are being placed upon them in the name of national defense. Great Britain's necessity at this moment of raising billions upon billions of dollars to provide more adequate national defense is cause for concern on our part, to be sure. I can readily see why Great Britain should be disturbed about the inadequacy of her national defense because of her proximity to such nations as are today making a degree of threat. I wonder what Great



Britain would be willing to pay in actual billions of dollars if her position in a geographic way could be exchanged for ours. I venture to say that Great Britain would consider that degree of isolation which is ours, that natural, God-given defense in the way of the Pacific and the Atlantic, worth many billion dollars. If Great Britain could have those seas between her and her potential foes, I hazard the guess that she would be willing to pay three billion and perhaps four billion dollars to gain such a source of security.

No nation upon the earth is in a more favorable position so far as freedom from danger of attack from abroad is concerned than is our Nation. Yet, as was so well demonstrated here yesterday by the Senator from Michigan [Mr. VANDENBERG], if we move into the present international armament race to the extent provided in the pending big navy bill, not only do we become a party to that race but we become a leader in it. We, the nation in least danger of all nations, would be leading an international armament race.

Mr. President, since it is so clearly written that races in armaments lead to the thing we want least of all, why is it not just plain, good, ordinary horse sense on the part of the United States to confine itself strictly to what it considers its need in the way of national defense, without contemplation of moving great armed forces and great naval fleets, across thousands of miles of ocean waters, no man's waters, which provide us a great natural defense? Surely, as has been frequently suggested, we are only adding our own country to the list of those whom we have been considering as having gone insane when we embark on this program of preparing for another war.

It is not to be wondered that there are many Americans who today believe that this program is only part of a plan to have the United States prepare to engage once again in some great international crusade for the cause of what we like to call "democracy," for the cause of winning once again security for the world against war; the cause of destroying militarism, perchance; winning once more freedom of the seas, for which we have already spent billions of dollars without success. It is difficult for me to believe that men in leadership in our Government would actually plan another foreign engagement, in the light of our experience that was the result of our will, starting in 1917, to contribute our resources and our might to the salvation of what we thought then were really worth-while causes. But there can be no denying the array of evidence that has been brought forth in the Senate pointing to the conclusion that we are preparing for another international engagement. No one can compare the steps which have been taken, and the steps which are being proposed today by our Government, with the steps which we now know were a part of the record in 1914, 1915, and 1916, without realizing that our motive today is in some respects precisely that which prevailed back in those years, when we thought we were being neutral, when we thought we were staying out of other peoples' wars, but when, as a matter of fact, we were moving directly into the World War, even against our own high resolve, entertained by the great majority of the American people.

We talk peace, daily we voice to the world our determination to remain a peaceful nation, but our actions are not those of a nation which intends to maintain peace. While we talk peace we are in fact marching straight to war.

Whether or not the people are going to continue to respond to the movement which leads in the direction which is so plainly being pursued remains to be seen. We know that the resolve of the people was high enough some months ago to resist the invitation which was extended by our great American leader to make the United States the leader in the quarantining of a certain nation. We know that when the facts reached the minds of the American people, when it dawned upon them that quarantine was only step No. 1 to war, the people ceased cheering for the quarantine idea, settled back in their places, and wanted none of it. It is not possible even now to popularize in any degree the theory of leading in a quarantine movement against any foreign power.

When the sinking of the *Panay* in the Yangtze River occurred I think many Americans were convinced that that incident would serve as the signal to inflame the American people and drive them into a state of mind in which they would be more willing to adopt war as the only possible way out of a terrible situation. Yet, again, we found the American people strong enough and stern enough to turn their backs upon the idea of war, and, instead of becoming heated about the unfortunate incident, demanding to know why in the world the *Panay* was there; especially why it was there in company with Standard Oil tankers engaged in the business of supplying to both China and Japan oil and other things which are essential to a continuation of the frightful conflict which today is overwhelming in China. The American people said, "We thought we were through with this business of dollar diplomacy. We thought we were through following American dollars all around this earth to see to their security and safekeeping. What does this mean? Why should we get excited about it? If an American gunboat moves into a sector infested with war, when it is known to be thus infested, why should we become unduly excited if there arises an incident that brings injury to an American vessel? Why did we not get out of there, as we promised at one time to get out? Why were we inviting trouble? Why were we inviting an incident?"

I imagine, too, that many Americans were caused to wonder if by any chance the bombs the Japanese used in bombing the American gunboat *Panay*, in the Yangtze River, were manufactured in the United States and sold to Japan. Many Americans were no doubt wondering if by any chance the shrapnel in those bombs that found resting place in some American bodies had been during recent years scrap iron in the United States, for American scrap iron has been gathered up in great quantities and exported in such quantities as the world had never seen before, 65 percent of that exportation going to Japan and Germany, nations that some are inclined to look upon as those against whom we must more largely provide defense for ourselves.

Mr. President, we find these experiences followed by the urge now to move into the international armament race by providing an additional ante of a billion and a quarter dollars for our Navy, in addition to the \$600,000,000 or \$700,000,000 we have already appropriated this year.

Much has been said in the Senate as to what might have been the occasion for the sudden discovery that we were in need of this tremendous increase in our Navy. To substantiate their position in support of the bill Senators have been reaching out in the dark, grasping for a straw that would lend itself as an excuse for this kind of legislation. Men are reaching out and borrowing the utterly impossible trouble that would result if Germany, Russia, and Japan were to combine forces against us.

Senators may try as hard as they will, but there is not one among us who can seriously contemplate a "ganging up" against us on the part of the three nations whose interests are so diversified as are the interests of those three lands. And were the impossible thing of those three lands "ganging" against us in a common cause to be accomplished, not one of them could afford to send its forces away from its own land or to get out of sight of its own land, confronted as each is with troubles on every border.

Mr. President, we are only borrowing trouble when we permit ourselves to dream of the possibility of any such combination as that being opposed to us. We are only dreaming and borrowing trouble when we anticipate a situation of that kind. And I suppose that if we should not be awakened and disturbed by the prospect of a combination between Russia, Japan, and Germany against the United States, then one of these days we may learn that to that combination have been added Italy, England, Belgium, France, and Spain, and—who knows?—perhaps Ethiopia.

Is there the least slightest reason for Americans to contemplate that the day is coming when all the other nations of the world are going to join hands and move against us with

united naval and military strength? If there is any possibility of that day ever coming, let us acknowledge that however many billions of dollars we might devote to the cause of preparedness we do not possess enough billions of dollars, we have not enough resources upon which to draw upon to meet such an eventuality as that.

Much is said every time an Army or Navy appropriation bill is pending in this body as to the need on our part of a more adequate defense to be used in the emergency that Japan should move against us. Mr. President, what are the prospects, what are the chances of the United States and Japan ever going to war against each other? Military authorities are agreed that if Japan should ever undertake to take the Philippine Islands, we could not do much to prevent it. How many billions of dollars, in addition to what we have already spent, would be required to provide the degree of protection for the Philippines that might be necessary in such an eventuality no one can guess. We only know that we would need a strength many times greater than that which is Japan's.

We have been trying for 5 years now to divest ourselves of the Philippines. The present administration made it job No. 1 to insure the early independence of the Philippine Islands, and there was no mincing of words concerning the reason for that course. We wanted freedom from the competition of the Philippines with American agriculture, and we wanted freedom from the necessity of having to try constantly to be prepared to defend the Philippines against attack. What has become of that resolve all of a sudden? What is behind the picture we have been observing of more recent weeks which finds the High Commissioner of the Philippine Islands delegated to come back to the United States and demonstrate the folly of abandoning at present the Philippine Islands?

This much is certain, that when the United States ceases its responsibility in the Philippine Islands the two military establishments, the Army and the Navy, will be without their customary alibi when it comes to demanding the degree of preparation which is necessary to defend our present so-called positions. If there were not the call upon the United States to prepare for the defense of the Philippine Islands, we could cut hundreds of millions of dollars from our annual military outlay.

Supposing, however, war should come between Japan and the United States. Is there any probability that either one of those nations could win such a war? I suppose I would be considered a downright traitor—I suppose I would be labeled as one who was lending aid and comfort to the Japanese—if I were to stand on the floor of the Senate and say that a war between the United States and Japan would be a futile thing; that from it no compensating results could be obtained; and that neither side could win until the other side broke in an economic way.

It would not be patriotic to admit that, would it? But I admit it; and ample authority can be quoted in support of it. The hearings before the military committees of the Congress afford endless authorities of that kind.

Only a few years ago an article was published in the splendid magazine *Asia* under the title "Shall We Trust Japan?" The article was written by an eminent naval authority. In this extended article this authority started out by asking:

Why do so many Americans, after witnessing the devastation and futility of war, continue to think of Japan and the Japanese in terms of war? Why have so many Japanese a similar mental attitude toward the United States? Is this mutually apprehensive habit of mind, to whatever understandable origins it may be due, justified today?

Then this authority went on and called upon one American naval authority after another, demonstrating how utterly futile would be a war between the United States and Japan. One after another of these naval authorities was rallied to demonstrate the futility of any effort on our part to prepare for that kind of a war. The authority further said:

As long as 10 years ago naval experts said that a fleet crossing a wide ocean from its home base must of necessity lose from a

quarter to a third of its fighting value. If that judgment was true 10 years ago, then the principle is even more true today; for the addition of two new dimensions, under water and in the air, to the fighting area has made the protection of the capital ship—super-dreadnaught or battle cruiser, the fundamental fighting unit—a much harder task than it was then. If our naval experts a decade ago doubted whether we could hold the Philippines with a fleet more than twice as powerful as that of Japan, what would they say today, when we have a fleet rated as only five to three with that of Japan—in actual efficiency of material and number of personnel the ratio is actually now lower than that agreed upon—and the new instruments of warfare capable of intensive use over a short radius, undeveloped 10 years ago, have now been enormously multiplied? And on the other hand, even if Japan in 1914 had any false notion that she could threaten us either through Mexico or by direct invasion of the Pacific coast, it is safe to say that her strategists have now tacitly abandoned such ideas.

Mr. President, this American authority says we could not hope successfully to engage in war against Japan. He goes a step further, to make himself perfectly and clearly understood, by saying:

Nobody, presumably, after all the prophets of 1914 have been proved without honor in any country, would attempt to say what would happen at the end of a military deadlock between Japan and the United States. After the first year or two of hostilities economic causes would become the determining factor. Tableau: Japan and the United States, four or five thousand miles apart, making faces at one another across a no-man's water as broad as the Pacific. Some genius might then arise to ask what it was all about and what the use was of the atrophy of national life and development. Or, to take a pessimistic view, jingo counsels might prevail in both nations until one or the other, or both, had bled to death through the pocketbook. If then it were realized by the people of this country and of Japan that a war would be a futile gesture, attended by no sufficiently compensating results, each nation might be in a fair way to change its apprehensive habit of mind.

This authority says that the talk of war between Japan and the United States is occasioned directly by our "apprehensive habit of mind." If we enact the pending bill we shall make more apprehensive that apprehensive mind in Japan. Let us be sure of that. This authority says that a war between Japan and the United States would be a futile thing.

Who is the authority I am quoting? A former Assistant Secretary of the Navy of the United States by the name of Franklin D. Roosevelt. The article from which I have quoted, I repeat, was published in the magazine *Asia*. When he wrote that article he said the odds against us then were greater than they were 10 years previously. Now, with the development of war craft flying in the skies and operating underneath the water, and with the great increase in preparation in those fields, are not the odds against us now even greater than when the article was written and published in 1922?

What is our line of reasoning? What is our direction today? If we are to turn our backs upon what was considered good judgment another day, if we are to ignore the considerations entering into that judgment, and permit ourselves to be continually led into a fear of war with Japan, what in the world will be the end of it? Who knows? A bill for a billion-and-a-quarter-dollar addition to our Navy will not be the answer. The requirement will be many, many times that sum.

The Senator from Michigan [Mr. VANDENBERG] has conclusively demonstrated that this bill calling for a billion and a quarter dollars is only the beginning, and that the program proposed under the bill will cost us \$3,000,000,000 or perhaps \$4,000,000,000 before it is finally completed. I venture to say that if we had what the three or four billion dollars are intended to buy, when it was completed and ready for use the same identical people who today complain about the inadequacy of our national defense would then complain with equal bitterness about the inadequacy of our national defense.

What is the end of it, Mr. President? We spent during the past year to maintain our Military Establishment between three and four times as much money in preparation for another war as we were spending in preparation for war the year before we went into the engagement which was to end war for all time. Today, not counting the proposal now before



us, we are spending more money in preparation for another war than our Government was spending in 1912 to maintain all its Departments of government, including the Army and Navy.

Again I ask, What is the end? If there is an end, what is it? We are moving most definitely and drastically into an armament race.

Mr. VANDENBERG. Mr. President, will the Senator yield? Mr. NYE. I yield.

Mr. VANDENBERG. At this point in the Senator's remarks I should like to insert in the RECORD a schedule showing the naval appropriations for the past 10 years, set down by years, demonstrating the total of \$4,000,000,000 which we have spent in the past 10 years in the creation of what most of us believed to be an adequate and efficient navy.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

*Naval appropriations from 1928 through 1938*

Fiscal year:	
1928.....	\$346,668,327
1929.....	364,233,362
1930.....	362,061,247
1931.....	382,505,193
1932.....	360,101,593
1933.....	339,035,242
1934.....	323,506,549
1935.....	297,513,132
1936.....	493,438,326
1937.....	530,184,932
1938.....	528,113,958
1939.....	549,227,842

<sup>1</sup> This figure is the total in the bill as it went to conference. It is not final.

Mr. NYE. I thank the Senator. We spent \$4,000,000,000 in 10 years to perfect a navy; and yet Senators rise in their places, one after another, and give voice to language which would seem to indicate that we are utterly without a national defense so far as our Naval Establishment is concerned. When those who are prevailed upon to believe that there is need for a greater Naval Establishment are asked, "How much more? How many more ships? How many more men?" a straightforward answer never is forthcoming. The answer necessarily is invariably more, more, more, and more.

So I repeat, whereas in the last 10 years we have spent \$4,000,000,000 to build up and perfect a navy; if 10 years from now we have doubled or trebled the amount expended to perfect a navy, there will be the same identical voices crying to high heaven, "We must have more, more, more, and yet more." "An apprehensive habit of mind," the President said in the article from which I have quoted, is the cause very largely for this difficulty between Japan and the United States. I ask unanimous consent, Mr. President, that the article by President Roosevelt, in its entirety, may be printed in the RECORD following my remarks.

The PRESIDENT pro tempore. Without objection, the article will be printed in the RECORD.

(See exhibit A at the conclusion of Mr. NYE's remarks.)

Mr. NYE. Now, Mr. President, I come back to where I started. Is the United States preparing for another crusade in an international way? Are we undertaking to make ourselves policemen to that degree, that armed to the teeth we shall have the ability to go to any quarter of this earth and straighten out an order that we may not like? Is that our purpose? I repeat, I do not like to believe it; and yet one cannot study the picture presented by the program that has been referred to during recent months without drawing the conclusion that possibly there is something of that thing in somebody's mind.

Starting in October, I made clippings from the press daily, hoping to be able thereby to compile a page-by-page story indicating that direction, which I feared might be in somebody's mind. My effort was rather a futile one. I could not keep up with it as I had hoped I might be able to do. Yet as I have studied that book of clippings from time to time, I have grown in the conviction that America's direction was not toward peace but toward war.

More recently I have found that it was not necessary to have devoted the time to the preparation of such a collection—such a day-after-day account of what was taking place. Very recently there has come from the Yale University press a book entitled "And So to War." Its author is Hubert Herring, who has done a great deal of writing upon this international question and America's relation to it. His work *And So to War* is one meriting the reading of every Member of Congress, and were it to be read generally by the people of these United States they would find themselves much more strongly armed to resist the influences which have been at work and which will probably continue at work to keep America faced in that direction *And So to War*.

Mr. Herring in his book develops a conviction that the United States is headed for war, the conspicuous leader of the crusade, according to him, being President Roosevelt himself, whose quarantine speech at Chicago on October 5, 1937, was interpreted by overseas foreign officers as in effect a declaration of war, or, according to a qualified interpretation two sentences later, as the first irrevocable step by which nations are drawn into conflict.

In his book Mr. Herring devotes a chapter, a sort of introduction, which carries some very significant paragraphs to which I shall refer. After speaking of the closing of the World War, he says:

Twenty years have elapsed. The war which Woodrow Wilson declared was fought and won. But, if Wilson's war aims are taken as the norm, that victory was defeat. Today there is less democracy, less security for small nations, less respect for international agreements, less hope for peace than there was in 1917. If the gods be merciful, they have granted Woodrow Wilson a dreamless sleep.

Today Franklin D. Roosevelt, with debonair grace, invites the American people to again set out upon the quest of the Holy Grail. The appeal of Mr. Roosevelt is a paraphrase of the appeal of Mr. Wilson: America wants peace. But American peace is jeopardized by a sinful world. Therefore, America must join with the peace loving in stopping the war makers.

Yes—

Says the author of *And So To War*—

Yes; that tune caught our ear before. It led us into a futile war, and through that war to a fatal peace. The notes are the same in this bugle call. The field is differently blocked out. The uniforms have been changed somewhat. Some who were yesterday the allies of right are today the supporters of wrong. But the tune is an old tune. A sorry tune. A dangerous tune.

Then, descriptive of what we are doing in 1914, 1915, and 1916, in brief, Mr. Herring sets forth in the chapter entitled "The March of 1917" America's step-by-step tramp, tramp, tramp straight into a war that we were vowing we were going to stay out of. Here is the description:

In midsummer, 1914, the World War caught us off guard and unprepared. It was a Balkan war, we said, and we had seen Balkan wars before. Then it was a European war, and he had seen European wars before. It was not our war, of that we were assured. We were right and had we had more astute leaders we could have continued right.

The first impulses of Woodrow Wilson were sound, consonant with the historic genius of the American people. He was stunned by the horror of the war, saw "the war as a distant event, terrible and tragic, but one which did not concern us closely in a political sense."

That is a quotation from Woodrow Wilson himself.

In August 1914 he called upon the United States to be "impartial in thought as well as in action. The United States must be neutral in fact as well as in name."

Quoting again President Wilson:

That call was the first line in the chapter which covers the period August 1914 to April 1917, and recounts the steps by which we were thrust into a conflict in whose inception we had no hand, in whose issues we had no stake, and in whose settlement we had but faint voice.

The United States had but one duty in 1914, and in the months which followed—the duty of staying out of a war in which it had no rightful place. There is just one way to stay out of a war and that is to stay all the way out. That means neutrality.

Neutrality was not a new idea in 1914.

Says Mr. Herring, the author of *And So to War*—

It had an explicit meaning. The world had been building up its doctrine of neutrality for some 600 years. In fact, that doctrine was the one sizeable gain in international relations, but

inasmuch as the word has been so carelessly bandied about, we might well remind ourselves of its meaning before 1914.

In sixteenth-century records we find that the words "neutral" and "friend" were used as synonymous. A neutral nation holds itself definitely apart, takes no sides, yields no privilege to one belligerent which is withheld from another. A neutral nation maintains a legal attitude, not subject to the whim of any ruler or to the mood of any exigency. No government can remain half neutral, half partisan. Neutrality implies candor. A neutral cannot help one side or yield to the violations of one belligerent. Partiality is not consistent with neutrality, legal or political.

A neutral nation has the immunities of a neutral. Since it holds the scales even it has the right to exemption from attack by either belligerent.

The neutral nation as a government cannot supply arms, munitions, or implements of war to any belligerent, nor can it supply commodities or make loans to any belligerent. But the individual trader in a neutral nation is free to trade with a belligerent at his own risk. This freedom faces curtailment, however, as nations find it advisable to discourage their nationals in handling military goods.

A neutral nation is pledged to respect an effective blockade—that is, a blockade which is enforced with the actual presence of ships.

A neutral nation does not permit the use of its territory as a base for military expeditions. A neutral treats armed belligerent merchantmen as warships.

Neutral traders may trade in nonmilitary goods, but in return for this privilege, the neutral concedes to belligerents the right to seize and search his ships and to confiscate all military goods as contraband.

When belligerents unduly extend the lists of goods they will treat as contraband, the neutral nation is compelled to negotiate in order to hold the lists to legal limits. Contraband covers lethal weapons and distinctly military supplies, but what constitutes military supplies in any particular war is always a point of contention. The belligerent, eager to cripple the opponent, naturally seeks to extend the meaning; the neutral, intent upon trade, to restrict it. The neutral will not always preserve his right to trade without argument; he may be compelled temporarily to forego a portion of his rights in order to preserve the rest, or, if unduly harassed, he may prefer to give up his nationals' trading rights altogether rather than risk war. With bargaining power in the form of food and other supplies, a neutral can usually negotiate effectively, if he so desires, for recognition of his legal right to trade. In any event, a neutral government's concession to one belligerent alone is a betrayal of neutrality, and invites the enmity of the other belligerent.

That was neutrality in 1914.

It was the hard-won instrument of international law ready to the hand of Woodrow Wilson.

When President Wilson faced the world situation in the summer and fall of 1914, there were certain definite facts upon whose clear perception our foreign policy rested. To misread the facts was to misdirect the policy.

Mr. President, let my purpose be understood. I desire to lay down here a picture of the march to war starting in 1914, and then I desire to lay down alongside that Mr. Herring's study and my own study concerning our march to war in 1937 and 1938, and then defy those who will listen or those who will read to deny, if past experience is to be taken as an indication, that our course is one most certain to invite war, rather far more certain to invite war than to maintain peace for the United States.

When President Wilson faced the world situation in the summer and fall of 1914, there were certain definite facts upon whose clear perception our foreign policy rested. To misread the facts was to misdirect the policy.

First, by our trade relations with Europe, we were in self-interest bound to maintain a strict neutrality. We bought and we sold in England and in Germany. Both were excellent customers. It was to our national interest to keep them as such.

Second, our national mood made neutrality easy. It was a far-off war in distant lands. We knew little of the issues which lay behind the outbreak, but dimly sensed that this was another imperial struggle in which we had no immediate stake. We had no great emotional urge to take sides, not at least until the propaganda mills had been grinding for many weeks. Some, because of blood or training, inclined toward England, others toward Germany. About France we knew little and suspected much. About Russia we had only a sense of vast bewilderment. About the other parties to the conflict there was an unresolved mass of complete indifference. The ordinary man in America in August 1914 would have said: This is not our war. We will go on about our business as usual, buying and selling. He did not know that in time of war the business of buying and selling is beset by strange world forces over which he has no direct control. He did not know the rules of neutrality and the danger which lies in his government breaking those rules. But the average citizen of the United States would have doggedly voted against war had his rulers consulted him. In 1917 our historic stand should have been reinforced by the disparate character of our population.

Third, all our national tradition pointed to neutrality as the natural and the judicious course. Ever since 1789, as a result of bitter colonial experience, neutrality in foreign wars had been the dominant note in American foreign policy. Our involvement with Britain in 1812, the one conspicuous departure, was ostensibly to protect our neutral rights, actually to further our expansionist policies on the frontier.

Woodrow Wilson, by his neutrality proclamation of August 4, 1914, was following the way of American life and the sound way of reason.

But distant events, in whose determination a few rulers played decisive and hidden roles, were to outbalance the dictates of sanity in America.

In late July 1914 Sir Edward Grey warned Germany, in effect, that an attack on France would bring England into the war. Three days later the German Army marched across Belgium. On August 4 Britain declared war. "The rights of small nations" were now involved.

"Just for a scrap of paper . . ." cried Germany's Chancellor Bethmann-Hollweg. The phrase was headlined around the world. It was the first shot of the propaganda gun. Germany, we were told, regards treaties as scraps of paper.

Today, with the perspective of more than 20 years, let America be reminded that Woodrow Wilson also treated an international covenant as a scrap of paper.

In this covenant was written the pledge of our national tradition and the promise of our security. It embodied the hard-won rights and duties of neutrals to which, in Wilson's own hand, was appended the pledge of our neutrality of August 1914.

The steps by which we were transformed from bystander to participant in Europe's war are easily apparent.

In August 1914 we were officially neutral. The President said so, the people felt so. There was, of course, increasingly strong tugging at the hearts of American sons of England and American sons of Germany. For such personal feelings, the Government had no responsibility. Neutrality must rule official attitudes, it cannot control personal convictions. That these differences need not conflict, if rulers do their duty, is attested by the cases of Hamilton and Jefferson during the war between France and Britain in 1793. Jefferson favored the French, Hamilton the British, but both preserved the utmost correctness of official attitude. The difference between their leadership and the leadership of 1914 was sizable. Jefferson and Hamilton made very plain the reasons for neutrality and the methods of achieving it. But in 1914 our leaders did not enlighten American citizens who, without experience of a major war, had little idea of how neutrality works. We had no experience, for instance, with the insidious undermining of neutrality by propaganda. Indeed, we did not realize that almost from the beginning our war news was colored by the Allies. They were fighting our war, we were assured. A week after hostilities began, the cables from Germany were cut, and from then on our news of Germany came by way of England.

We had small experience also with the strain to which neutrality is subjected by the weight of mounting trade. Proceeding as good neutrals to sell what we had for sale to whomever wanted to buy it, few Americans realized the complications of inflated war trade increasingly confined to one belligerent side and financed by American money.

By the fall of 1914, the United States awoke to the fact that it was the chief market place for a world which desperately needed every kind of raw material and finished product.

In the spring of 1914 there had been a depression, but by fall our humming looms and belching smokestacks attested recovery. Deserted factories were being opened and fitted for the production of guns and shells. There were work and profit for all—purchasing agents arrived on every steamer from Cherbourg and Southampton. Mr. Henry P. Davison, of the Morgan firm, was in London making contracts, arranging for the orders which were to lift our sales to Europe from a billion and a half in 1914 to three and three-quarter billions in 1916.

We were neutral. We sold to all comers. We delivered our goods on the New York dock, or we loaded American or foreign ships and engaged to deliver at British or French or neutral ports. We delivered no goods at German ports. The Allies, by November 5, 1914, had taken care of that by illegally closing the North Sea.

As already observed, international practice had previously limited contraband to materials directly used for war, but England rapidly undertook to change the rules in order to keep all commodities out of Germany and thus starve her into submission. The British Order in Council of March 11, 1915, prohibited all trade with neutrals except that which Great Britain conducted or to which she consented. This order struck at our neutral right to sell our goods and virtually banned all trade with Germany. Britain had decided upon a swift, if illegal, procedure. Prime Minister Asquith announced to Parliament that this British course with Germany would not "be strangled in a network of juridical niceties"—and thus another scrap of paper was shredded. As neutrals, we were bound to resist such illegality. But we did not resist. The administration accepted the unprecedented list of contraband. In fact, as early as September 1914, Lansing had even advised the British how they could keep copper out of Germany. Britain had counted upon our acquiescence, but the help doubtless surprised her. To be sure, we objected to actual seizure of American shipping, but with so gentle an air and with such obvious willingness to retreat as to nullify our protests. Instance of such half-hearted protest was the note of December 26, 1914, which



warned the British that we would not tolerate their blocking of American trade "unless such interference is manifestly an imperative necessity to protect their [British] national safety, and then only to the extent that it is a necessity." The British were left to be judges of their own necessity, and of the degree to which they might trespass upon our neutral rights. Our neutrality, solemnly announced in August, had fallen to such fate by December 1914.

No such acquiescent attitude was taken toward Germany. On the contrary, when Germany, in reprisal for the British illegal starvation campaign, resorted to the submarine and declared the waters around Britain to be a war zone in which enemy merchant ships would be sunk, Mr. Wilson professed to see no connection between the British provocation and the German reprisal. He undertook to hold Germany to strict accountability for the loss of American life or property on British ships and sought to hold the submarine to rules of cruiser warfare for which there was no legal warrant.

Furthermore, we accepted with faint protest the "paper blockade" of Germany. This acquiescence was a reversal of our historic position as a neutral. In 1806 Thomas Jefferson refused to accept such a paper blockade from England and Napoleon. But in 1915 we had no Thomas Jefferson and the British blockade of Germany was successful. Its effectiveness was due to the seizure—and the threat of seizure—of all ships and goods destined to Scandinavia or Holland, the British assumption being that such goods were in fact destined to Germany unless proof to the contrary were afforded. All ships had to call at British ports for examination. In addition, England used the blacklist to control much of the trade of the neutral nations, including that of the United States. Through that blacklist the British gave orders to all British brokers, merchants, ships, and producers everywhere. "Do not serve or sell to any on this list." Thus, at a single word, the British could put almost any exporting firm in the world out of business.

When objections were made to their high-handed tactics, the invariable reply was, "but our orders are for British citizens only." But the blacklist of July 1916 undertook to prevent an American citizen from trading with Germans or even Chileans in Chile if their names had been placed on the list. Thus, the blacklist became practically a monopoly by means of which the British decided who could trade in the world markets. Merchantmen were deflected from the course their owners had chosen, and sent to the market which the British dictated. Without, or with perfunctory, protest we accepted British Orders in Council as to what we should sell, and to whom we should sell, even to such neutral nations as Holland and Scandinavia. Not until the war was long over did we discover—thanks to Admiral Consett, British naval attaché in Copenhagen during the war—that the British had sold to Germany through Scandinavia some of the very goods which they had seized from us.

"Necessity knows no law"—that was German's philosophy, or so American schoolboys were taught in the spring of 1915. These schoolboys did not know, they were never told, that mighty Britain also stooped. They did not know, nor do they know today, that Asquith had translated necessity's scorn of law into plain English when he demanded freedom from "juridical niceties."

So the ring of steel—and of paper—was drawn around Germany. Food supplies dwindled, children were without milk. Then the Germans struck back with their submarines. The United States again protested. As we have seen the administration refused to see any connection between the British blockade and the German counterattack with submarines. Excuse for this refusal was found in the distinction between the loss of American property and the loss of American lives—although, in fact, down to February 3, 1917, all but three of the American lives lost were lost on Allied ships, armed or unarmed, where, according to law and practice, they ran all the risks of their belligerent location.

A further betrayal of our neutral role was Wilson's insistence upon the right of Americans to travel unmolested on such armed or unarmed allied merchantmen. We warned Germany that an attack upon such ships with an American aboard was an attack upon us. In effect, we said to England: Use our citizens as security. When leading Members of Congress protested, warning against the dangers of such a policy, Wilson announced, "I cannot consent to the abridgment of the rights of American citizens in any respect. The honor and self-respect of the Nation is involved." The Gore-McLemore resolutions warning Americans against taking passage on armed ships was defeated by the overpowering efforts of the Wilson administration in March 1916.

It is an elementary principle of international law that a belligerent ship is belligerent territory. Therefore, even on unarmed merchant ships, Americans took passage at their own risk. This should have settled the issue long before the *Lusitania* case. The administration had no right to demand safety for Americans who voluntarily took passage on a British ship carrying 4,200 cases of ammunition through a war zone. Bryan called that fact to the President's attention, but Mr. Wilson preferred to follow his "strict accountability" note of February 1915, rather than to follow the law. While admitting that he ought to warn American citizens off belligerent ships, as Bryan begged, he declined to do so because it might weaken the force of his *Lusitania* note.

The administration was equally unneutral in the policy of lending money to the Allies.

In August 1914 the Wilson administration announced that the floating of loans for the belligerents was "inconsistent with the spirit of neutrality." In October of that very year, in order to keep the flow of munitions and foodstuffs moving, the same administration winked at a subterfuge and permitted bank credits for

financing such trade. By August 1915 these credits had become so great that they could not be increased. The bankers pointed out that credits must be funded or trade would stop. That meant loans. Mr. Wilson yielded; the Federal Reserve banks were permitted to discount bills and acceptances. The United States as a nation was now financing the munitions trade for one of the belligerents.

Such were the broad lines of our consistent and unrepentant unneutrality from August 1914 to April 1917.

They were the lines which led to war.

We did those things which no neutral ought to do. We picked the guilty nation, and aided its enemies. We loaned money to the Allies, permitted them to use our harbors for their armed merchantmen, and refused to warn our nationals against sailing in their ships. We learned to hate the Germans and to love the British.

We, the neutral, condemned the sinking of belligerent ships by submarines. It is usually forgotten that only one American boat, the *Gulflight*, was torpedoed with the loss of American lives up to the breaking off of diplomatic relations with Germany, and she was under belligerent convoy. We suffered much loss in property and were silent or protested only in whispers against an illegal blockade which confiscated American property, crippled American trade, and condemned tens of thousands of children to rickets, scurvy, and death.

We did these things which are now known under the heads of "picking the aggressor" and "applying sanctions." We did these things and called ourselves neutral.

And then, having given away our case, we went to war, quite unaware of what it was all about (even Wilson declared that he did not know of the secret treaties under which the partition of the German and Austrian Empires and the redrawing of the Balkan map were arranged), and in blissful unconsciousness of its threat to our national future. The record scarcely bears out the conclusion of Mr. Hamilton Fish Armstrong that we "had been irresistibly sucked in—despite patient efforts by a President whose heart was set on peace \* \* \*."

Mr. President, I express at this point a conviction which is very much my own, and rather contrary to that expressed by Mr. Herring. I entertain a strong conviction that it was the purpose, the determination, and the will of Woodrow Wilson for practically every month of those years during which we practiced a seeming neutrality, an alleged neutrality, to keep this country out of Europe's war. I cannot share the conviction entertained by some that there was any different purpose, or that there was a hidden method in all the moves through those years on the part of the President.

It is also my conviction that Woodrow Wilson, and no other man before his time or since, could possibly have stood up under the pressure brought to bear by men, by interests, and by undeserving associates in the Government to violate American neutrality, pressure intended ultimately to take the United States into that war. And not among the least of those who had a determined purpose to do that was one in whose neutrality the American people entertained much confidence for 2 years, a gentleman by the name of Robert Lansing, Secretary of State, who acknowledged that on the day in 1915 when he became Secretary of State it was his wish that the United States be in the war on the side of the Allies. But he said it was impossible at that time to move the people of America into that kind of a war. It would be necessary, he said, to engage in a program of education and enlightenment before the American people could be prevailed upon to do that which he thought ought to have been done in 1915 when he succeeded William Jennings Bryan.

There are only a few more lines in this chapter in which Mr. Herring undertakes to show The March of 1917, which I want to compare with the march of 1937 and 1938:

Woodrow Wilson, on January 22, 1917, in one of those flashes of insight to which he did not remain constant, spoke of the advantage of "peace without victory," and prophesied that an imposed peace "would be accepted in humiliation \* \* \* and would rest upon a quicksand." His words were met with anger in England and contempt in the eastern United States. But peace without victory might have saved the world. Instead, our peacemakers—Wilson, Lloyd George, and Clemenceau—had not even the farsightedness of the peacemakers at Vienna in 1815, where Wellington made his appeal against the dismemberment of France and his prophecy of the ills which would ensue. And that peace of Versailles, written with the violent ink of revenge, was made possible by American arms. We shared a war which yielded a destroying peace, which cradled in its greedy articles the seeds of a dozen new wars. We gave the world a League of Nations, Sir Edward Grey's child of hope, eagerly adopted by Wilson, which, in the hands of Old World diplomacy, became the hostage of the victorious nations, and was used by them to protect their winnings.



We paid for the war. We paid with the lives of the 126,000 dead, of the 234,300 mutilated and wounded. We paid with the dislocated lives of hundreds of thousands whom the war wrenched from their accustomed places in a peaceful world. We paid in the considerable damage to our national morale through the lashing of war hysteria. We paid with a period of economic confusion from which we have not yet escaped. The direct bill for the war has reached the figure of \$55,000,000,000. The indirect bill can never be reckoned.

Mr. President, Calvin Coolidge told us that before the United States had finished paying the bill of expense growing out of that war, the total would be in the neighborhood of \$100,000,000,000. When we shall have paid the last penny of cost we will know once again how conservative a man Mr. Coolidge was. One hundred billion dollars is not going to cover the cost. The author, Mr. Herring, says the cost to us of the World War has already reached the figure of \$55,000,000,000. The Senator from Michigan [Mr. VANDENBERG] the other day brought into evidence a demonstration that that cost today is \$66,000,000,000. And just to picture what is the size of such a sum of money I reminded the Senate the other day that \$66,000,000,000 is more dollars than there have been seconds since the beginning of our present era; more seconds than there have been in 1,938 years.

Mr. President, Mr. Herring in his work undertook to paint the picture of America's march to war leading up to 1917. Let us be reminded again and again and again that while we were marching to war we were vowing a neutrality and a determination to stay out of that war, just as today we are vowing a determination to stay out of other foreign wars. Yet in spite of our avowal, here we are, as I shall show, engaged in the same identical tramp, tramp, tramp into another foreign war that engaged us unconsciously in 1915 and 1916 and early 1917.

Mr. President, early in this week I recited the half dozen or more alleged causes for our entry into Europe's war, and demonstrated, without being contradicted, that every alleged cause for our entry into that war today stands condemned as a lost cause. We did not win one of the objectives that we set forth to achieve in that war. Without exception we lost every cause for which we fought.

There was one alleged cause, however, with which I was not conversant at the time, an alleged cause with which I was not conversant with until nearly 18 months or 2 years ago, when I heard a question propounded to America's most eminent capitalist. I heard him asked, "Why do you think the United States went into Europe's war?" and, with feeling, came the response from that man, "Why, we had to go into that war to save our souls."

Those who were present and watched this procedure declared that written upon the face of Mr. J. P. Morgan as he delivered himself of that utterance was a conviction, at least in his own mind, that it was a soul-saving venture upon which we engaged starting in 1917, and because of the assertion of that new cause for our entering a war, I am inclined at this moment to go a step further than Mr. Herring has gone in painting the picture of what was occurring in 1914, 1915, and 1916 while we were vowing that we were going to have nothing to do with Europe's war.

Mr. LUNDEEN. Mr. President—

The PRESIDING OFFICER (Mr. THOMAS of Utah in the chair). Does the Senator from North Dakota yield to the Senator from Minnesota?

Mr. NYE. I yield.

Mr. LUNDEEN. I wonder if the fact that the House of Morgan loaned \$400,000,000 to the British Government, which the British Government after a time stated it could not repay, had anything to do with our getting into the war. I wish to remind the Senator, although I think he knows it very well, that on the day we entered the World War, America took over that Morgan burden of \$400,000,000, and placed that burden on the backs of the American taxpayers, and we are bending under it now, paying interest and principal on that \$400,000,000. And that is only a small part of our war tax burden. That huge amount was saddled on the American taxpayers and the American taxpayers are

complaining about huge taxes. That transaction in part is an explanation of some of our tax burden.

Mr. NYE. Mr. President, I think, perhaps, the Senator has anticipated what I wanted to say in furtherance of the effort to paint a picture of the elements which enter into the making of war. I shall cover in some little detail the phases which the Senator from Minnesota has just brought to mind.

When war came to Europe in 1914 we had at the helm of our Government, as we are all ready to acknowledge, a strong man, the sincerity of whose advocacy for peace I cannot question or discount. I think few Americans have been stronger believers in peace than Woodrow Wilson. If he was not the strongest of his time for peace, he then had at his right hand in that hour, as his Secretary of State, a peace advocate the equal of whom this Nation has never known, William Jennings Bryan.

Wilson and Bryan were thoroughly conversant with the knowledge that however much we might want to stay out of Europe's war, however hard we might try, it was not going to be easy.

In those days restrictions and pronouncements were laid down by the President which were intended to steer a neutral course for the United States. I cannot help feeling that Wilson and Bryan, knowing how dangerous was the trade in arms, would have wished to put a stop to the sale of munitions to nations engaged in war. The President and Bryan knew that in the years leading up to the outbreak of war in Europe in 1914 a certain increased trade had developed wherein American makers of munitions had enjoyed a degree of prosperity by arming Europe in preparation for war. If that trade in arms should be abruptly discontinued and cut off it would mean a depression. It would mean reverting to the condition which prevailed without the benefit of that foreign trade. Wilson and Bryan probably both thoroughly understood how unpopular would be a complete breaking off of that trade; so, rather than pronounce against a continuation of the sale of munitions to nations at war, the President said, in effect: "In the practice of our neutrality it shall not be considered unneutral for Americans to sell arms or implements of war to nations at war so long as we continue our policy of selling to both sides alike. But," he said, "it will be considered unneutral for Americans to lend money to any nation engaged in war."

To me it is clear that the President contemplated the hour when Europe would exhaust all her monetary resources and could continue buying from us only as we would lend her the money with which to buy. I am sure that thought must have been in the mind of the President. In any event, we had a neutrality program which was discretionary so far as the President was concerned. He himself had promulgated it. He, of course, could change it. There was then no written law of neutrality.

When war came to Europe one of the first moves undertaken by the Allies was the engagement of a firm of brokers in the United States to do the buying and selling for the Allied Governments—Britain and France—to go into the money market and protect the price of sterling and the price of the franc, and to stabilize the money market. For the services which these brokers, the banking house of J. P. Morgan & Co., performed through those 4 years—and which they performed well—they were paid commissions totaling tens of millions of dollars.

With the coming of war tremendous prosperity came to the United States, the like of which we had never dared dream possible—a prosperity which reached all parts of our country, a prosperity which had the wheels of industry going full blast, a prosperity which was occasioning an enlargement and extension of factories and the establishment of three shifts a day to operate the factories. Wage scales were provided the like of which American labor never heard of previously. That prosperity extended out into the country, to the producers of wheat and cotton, and the farmers of the land generally shared in it.



However much we may resent it today, we must acknowledge the fact that the prosperity which we so keenly enjoyed in 1914, 1915, and 1916 and which we did not want interrupted, the continuation of which we relished, was a prosperity based upon human blood. After all, what we were relishing was the human blood which our aid was helping to spill upon the battlefields of France. No one can deny that our help prolonged the struggle. We liked it. We wanted more and more of it; and when our desire for profit from Europe's war came into conflict with the neutrality policies which the President had laid down, American pressure was brought to bear which caused the President to set aside the neutrality policy and make room for the continuation of prosperity.

The first threat of a loss of this prosperity came when Europe exhausted her own resources of money. When that moment came, the bankers went to the administration in Washington and recited the dire results which would follow if Europe had to cease buying our goods. The bankers said that Europe would cease buying our goods if we did not afford a line of credit for them. The bankers made it perfectly clear that they were ready to offer that line of credit. "But, Mr. President," they said, "your neutrality policy seems to stand in the way. For our part, your neutrality declaration which says 'no loans to Europe' really does not apply. We are not asking to make loans to Europe. We are asking only, Mr. President, that you permit us to underwrite the credit needs of the Allies."

The President thought differently. The President was sure that loans and credits were one and the same thing, and he stood his ground and said, "No credits." But the pressure increased and became so great that one day we found the President saying to his associates, "If the bankers want to underwrite the credit needs of Europe, if we are going to avoid a panic, perhaps it is just as well to let them go ahead and underwrite the credit needs."

Mr. LUNDEEN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Chavez	Hughes	O'Mahoney
Andrews	Clark	Johnson, Colo.	Overton
Ashurst	Copeland	King	Pittman
Austin	Dieterich	La Follette	Pope
Bailey	Donahay	Lee	Radcliffe
Bankhead	Duffy	Logan	Russell
Barkley	Ellender	Loneragan	Schwartz
Berry	Frazier	Lundeen	Schwellenbach
Bilbo	George	McAdoo	Sheppard
Bone	Gerry	McCarran	Shipstead
Borah	Gibson	McGill	Smith
Brown, Mich.	Gillette	McKellar	Thomas, Utah
Brown, N. H.	Glass	McNary	Townsend
Bulkeley	Green	Miller	Truman
Bulow	Hale	Milton	Tydings
Burke	Harrison	Minton	Vandenberg
Byrd	Hatch	Murray	Van Nuys
Byrnes	Hayden	Neely	Wagner
Capper	Herring	Norris	Walsh
Caraway	Holt	Nye	White

The PRESIDING OFFICER (Mr. Brown of Michigan in the chair). Eighty Senators having answered to their names, a quorum is present.

Mr. NYE. Mr. President, at the time of the interruption I was undertaking to demonstrate how pressure had finally succeeded in prevailing upon the Wilson administration to permit the bankers to underwrite the credit needs of the Allies here in the United States. That result was followed by a continuation of the kind of prosperity that a war boom gave to American industry and the American people generally. But there was of necessity a limit to the amount of credit which the bankers themselves could afford the allied cause at a time when their demand was for such great sums as were being asked. The arrival of that time was constantly threatened. It was, however, during a continuation of that prosperity of ours that Britain fastened her blockade about Germany—a blockade which permitted nothing to get through the lines to England's enemy, Germany. England, in her

blockade, arrested, searched, and seized American ships carrying to European ports supplies which England only suspected might be intended for her enemies. We in the United States became greatly enraged over that practice. In that hour of interference with our trade there were literally millions of Americans who demanded that the United States declare war against Great Britain for the interference. Our Government undertook the dispatch to the British Foreign Office of notes of protest against this blockade. The notes continued from week to week, with what sincerity I shall a little later demonstrate. The notes were sent. The protest of the American people was thus served by reason of this official action. Then Germany, responding to the blockade which her enemy had imposed, resorted to the use of the submarine, a usage which at once found Germany interfering with American commerce, and such interference with our commerce, of course, had the tendency again to enrage us. We were neutral, but we wanted our trade, and we did not want it interfered with.

Along about that time a British ship loaded with a cargo of munitions and carrying, in addition, many human beings, including 150 American men, women, and children, set out for its destination, England. Off the coast of Ireland it was espied by a German submarine, was torpedoed and sunk.

The effect of that action upon American thinking could not be discounted. That was really the first direct invitation to America to take a hand in the war. A patient President appears to have lost his patience by reason of that incident. He directed a strong note of protest to Berlin. His Secretary of State feared the effect of this protest, feeling that the first duty of the administration was to continue efforts to keep this country out of Europe's war, and feeling certain that the dispatch of this note would ultimately drag us into the war. So the Secretary of State, who was William Jennings Bryan, rather than be a party to that sort of a step, resigned from the Cabinet of the President. Appointed in his stead was Robert Lansing, who signed and dispatched the note to Berlin. The effect which that note ultimately, 2 years later, had upon our decision we are all ready to acknowledge today.

Lansing, in addition to dispatching this note of protest to Berlin, continued to dispatch notes of protest to the British Foreign Office concerning the British blockade. But, while Lansing lived, he wrote memoirs. He wrote lines, which are not to be ignored, about the sincerity of the notes which were dispatched to Great Britain. Indeed, in his writings, now published under the title "War Memoirs of Robert Lansing," he said this about those notes to Great Britain:

The notes that were sent [to Britain] were long and exhaustive treatises which opened up new subjects of discussion rather than closing those in controversy. Short and emphatic notes were dangerous. Everything was submerged in verbosity. It was done with deliberate purpose.

What is Mr. Lansing saying? He is saying that these notes were dispatched to the British Foreign Office, starting in 1915, protesting the British blockade, but he says it was not intended that they should be taken seriously at the British Foreign Office; and one does not need to overdraw on his imagination to guess what was taking place. The day before a note of protest was dispatched our State Department would notify our Ambassador or Colonel House, and Colonel House would go to the British Foreign Office and explain: "Tomorrow you are going to have a note of protest here on your desk. Do not pay any attention to it. It is not intended to be taken seriously."

Robert Lansing became Secretary of State in 1915. For 2 years he enjoyed the confidence of the President and the American people as one who was devoting his best energy to maintaining America's neutrality. But he wrote again before he died that on the day when he became Secretary of State he thought we ought to have been in the war on one side as against the other. This is his language:

I, like some other believers in active support of the cause of the Allies, realized that the sensible thing to do was to defer action until, by a gradual process of education and enlightenment, the

American people had been brought to a full understanding of the design of the German Government to become overlord of the world.

Then, while he was enjoying the confidence of the American people as one striving for neutrality for 2 years, instead he was engaged in a program of educating and enlightening the American people in the cause of the Allies, all the time professing neutrality, all the time professing a determination to keep America out of Europe's war, all the time playing hand in glove with the American people and their desire to stay out of that war.

As to our prosperity traceable to Europe's war, under the line of credit which the bankers were affording, our prosperity grew, we continued relishing it. There came a day, however, when the bankers could not afford the full line of credit that was needed. They had reached the end of their road. Something more was necessary, and so we find the banking fraternity exerting pressure on the President to give consent to the floating of the bond issues of the nations engaged in war. The President said, "No. Our policy says no loans, and that is what it means." Again was brought to bear the demonstration that there was a difference between loans and credits, and that, after all, the floating of allied bond issues would not constitute a loan. But the President stood his ground until the pressure assumed this proportion: "Unless we permit the floating of these allied bond issues, the Allies will have to cease buying our goods. That will mean our going back to that normal condition which existed before the war came, and that will mean a panic, and, Mr. President, this is a campaign year, in which you are seeking reelection to the Presidency. Can you afford to have a panic at such a time?"

In this more modern day we even resent recessions, and certainly in those days no administrator wanted a panic to occur. But the President stood his ground even when word was brought to him that the bankers representing the Allies in this country had threatened that if they were not given permission to float allied bond issues they would get out of the money market and permit a crash there, a money panic.

The bankers themselves lost no means of exerting pressure on the administration at that time. They wrote to influential bankers in Washington, as one banker wrote to the one who was then Vice Governor of the Federal Reserve Board, Mr. Frank A. Delano, pointing out how important it was that they know whether the administration was going to countenance the floating of allied bond issues, and this banker said to Mr. Delano under date of August 17, 1915:

Find out what you can about the attitude of the administration and then wire me. Send me any one of the four following suggested telegrams and I will understand what you mean.

The suggested telegrams were these:

1. Parties—

And in each instance "parties" means the Government—

Parties would be favorable to and would encourage such a transaction.

2. Parties would take no action either for or against such a transaction.

3. Parties would discourage such a transaction but would not offer any active interference with it.

4. Parties attitude would be such as to make such a transaction practically impossible.

When Mr. Delano received this communication from the banker he took it straight to the Secretary of the Treasury; the Secretary of the Treasury took it straight to the Secretary of State, and the Secretary of State wrote a little memorandum and carried it personally to the White House and impressed upon the President the importance of giving an early answer:

What are we going to do about this wish to float allied bond issues in this country?

On the next day, August 26, 1915, after all this pressure, the President penned a memorandum to the Secretary of State in which he said:

My dear Mr. Secretary, my opinion in this matter . . . is that we should say that—

Then he quoted one of the four telegrams which the banker had suggested—

Parties would take no action either for or against such a transaction.

In other words, the President was saying, "Let these bankers know that if they want to float allied bond issues we will not do anything about it even though our neutrality policy says 'no.'"

But the President said more than that in his memorandum to the Secretary. He said:

But . . . this should be orally conveyed, so far as we are concerned, and not put in writing.

Poor man, once again forced to give way, to plead, "Do not ever let it be known that I have given in."

Mr. President, I ask unanimous consent that there be printed as a part of my remarks at this point the letter addressed to Mr. Delano to which I have referred, the letter which the Secretary of the Treasury wrote to the Secretary of State forwarding this letter, the letter under date of August 26 addressed to the Secretary of the Treasury by the Secretary of State, the letter addressed to the President of the United States by the Secretary of State, and the response made under date of August 26, 1915, to the Secretary of State by one who signed the initials "W. W."

THE PRESIDING OFFICER. Is there objection?

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

EXHIBIT No. 77

[Copy]

State Dept. Doc.  
841.51/266

THE FIRST NATIONAL BANK,  
Chicago, August 17, 1915.

HON. F. A. DELANO,

Vice Governor, Federal Reserve Board, Washington, D. C.

MY DEAR MR. DELANO: I want to get some information for a very confidential purpose and it has occurred to me that you may be in a position to help me secure it.

It is, to put it bluntly: I would like to know what the attitude of the Government administration in Washington would be toward the flotation of a large British loan in this country. Sometime ago I remember seeing in the press that the State Department had discouraged New York bankers on a proposition to float a British loan in this country, but at the same time it was stated that it was not within the province of the Government to veto such a transaction. It would seem to me that the present condition of international exchange would deter the Government from entering any objection to the flotation of such a loan in this country, or to the sale by Great Britain of American securities in this country. One or the other of these transactions would seem to be a business necessity at the present time. As I am in a bit of a hurry to get the information, I would appreciate a telegram indicating what you believe the Government's attitude would be. You might send me one of the following telegrams to indicate which of the positions you think the Government would take in regard to the flotation of a large British loan in this country and I will understand your meaning:

1. Parties would be favorable to and would encourage such a transaction.

2. Parties would take no action either for or against such a transaction.

3. Parties would discourage such a transaction, but would not offer any active interference with it.

4. Parties attitude would be such as to make such a transaction practically impossible.

With kind regards, I am,

Very truly yours,

[s] JAMES B. FORGAN.

State Dept. Doc.  
F. W. 841.51/266

THE SECRETARY OF THE TREASURY  
WASHINGTON

NORTH HAVEN, MAINE, August 23, 1915.

(Confidential.)

HON. ROBERT LANSING,

Secretary of State, Washington, D. C.

DEAR MR. SECRETARY: I enclose copy of a letter from James B. Forgan, of Chicago, to Vice-Governor Delano, of the Federal Reserve Board, in reference to the matter of foreign loans in this country. The foreign exchange situation is so serious that it may become imperative for some of the foreign governments to establish credits in this country in order that they may continue to purchase freely our farm products and other supplies. The attitude of the Government, as expressed in the letter of Secretary Bryan to Senator Stone, January 20th, 1915, may seriously embarrass the creation



of such credits in favor of foreign governments as are needed to enable them to continue their purchases in this country. Germany, by the way, disregarded this letter and placed more than ten million of short-time notes in this country through Chandler Brothers, of Philadelphia. It is not my purpose, however, to discuss that; I only mean to direct your attention to the importance of giving very serious thought to the points raised in Mr. Forgan's letter. I have always felt that it was a mistake for our Government to discountenance in any way the establishment of credits in this country in favor of foreign governments, such credits to be employed in purchasing supplies in this country. It seems to me entirely inconsistent to say that the purchase of our farm products and manufactured articles and other supplies by foreign governments is lawful and to be encouraged, and then to say that we discourage and discountenance as being unneutral the credit operations which are an essential part of such transactions.

I merely desire to call your attention at the moment to the seriousness of the question and to say that I hope no action will be taken that will add to the embarrassments of the situation by reaffirming or emphasizing the position taken in Mr. Bryan's letter of January 20th, last, until I have had an opportunity to discuss this with you and the President.

I shall certainly be in Washington on the first of September—maybe sooner. I look forward with pleasure to seeing you then.

With warmest regards, I am,

Faithfully yours,

[s] WM. G. McADOO.

Enclosure.

State Dept. Doc.  
841.51/266

AUGUST 26, 1915.

(Confidential.)

Hon. WM. G. McADOO,  
North Haven, Maine.

MY DEAR MR. SECRETARY: Mr. Hamlin sent me a copy of the letter of Mr. James B. Forgan which you enclosed to me in your letter of the 23d. I sent the letter to the President on the 25th, a copy of my letter to him is enclosed, and I also enclose his reply of today.

I have read your comments upon the matter of loans to belligerent countries and must say that I concur in your opinion—in fact, from the outset I have held that opinion of such transactions viewed from the legal standpoint rather than from the standpoint of expediency.

While the President did not authorize me to send a copy of his communication to you, I feel that he would wish you to know his position.

Faithfully yours,

(Stamped) ROBERT LANSING.

Enclosures.

State Dept. Doc.  
841.51/266

AUGUST 25, 1915.

THE PRESIDENT,  
The White House.

MY DEAR MR. PRESIDENT: As the letter of Mr. James B. Forgan, which is enclosed to me by Mr. Hamlin, deals directly with the general policy of the Government, I feel that before answering it I should be advised as to your wishes. I therefore enclose Mr. Hamlin's letter and a copy of Mr. Forgan's.

I think we must recognize the fact that conditions have materially changed since last autumn when we endeavored to discourage the flotation of any general loan by a belligerent in this country. The question of exchange and the large debts which result from purchases by belligerent governments require some method of funding these debts in this country.

Faithfully yours,

(Signed) ROBERT LANSING.

Enclosures.

State Dept. Doc.  
841.51/266

THE WHITE HOUSE,  
Washington, August 26, 1915.

THE SECRETARY OF STATE.

MY DEAR MR. SECRETARY: My opinion in this matter, compendiously stated, is that we should say that "Parties would take no action either for or against such a transaction," but that this should be orally conveyed, so far as we are concerned, and not put in writing.

I hope that this is also your own judgment in the matter.

Faithfully yours,

(Initialed) W. W.

MR. NYE. Mr. President, we can obtain a glimpse of the tremendous pressure that was brought to bear in those days upon a strong man and a well-intentioned man. The loans, the bond issues, were floated. The American people would not buy them. The only purchasers were the gun makers, the powder makers, and a few bankers, and there was a limit upon the amount they could purchase. Ultimately we had to come to the day of reckoning, the day toward which we were marching every minute but which we were denying and

ignoring, the day when the only way in which our prosperity could be continued was to declare war and enter the tragic conflict.

MR. PRESIDENT, I ask that there may be printed in the RECORD at this point the letter addressed by Mr. Lansing to President Wilson under date of September 6, 1915, revealing the conditions affecting prosperity which were under consideration in those days.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

[Lansing-Wilson letter]

THE SECRETARY OF STATE,  
Washington, September 6, 1915.

(Personal.)

MY DEAR MR. PRESIDENT: Doubtless Secretary McADOO has discussed with you the necessity of floating Government loans for the belligerent nations, which are purchasing such great quantities of goods in this country, in order to avoid a serious financial situation which will not only affect them but this country as well.

Briefly, the situation, as I understand it, is this: Since December 1, 1914, to June 30, 1915, our exports have exceeded our imports by nearly a billion dollars, and it is estimated that the excess will be, from July 1 to December 31, 1915, a billion and three-quarters. Thus, for the year 1915, the excess will be approximately two and a half billions of dollars.

It is estimated that the European banks have about three and a half billions of dollars in gold in their vaults. To withdraw any considerable amount would disastrously affect the credit of the European nations, and the consequence would be a general state of bankruptcy.

If the European countries cannot find means to pay for the excess of goods sold to them over those purchased from them, they will have to stop buying, and our present export trade will shrink proportionately. The result would be restriction of outputs, industrial depression, idle capital and idle labor, numerous failures, financial demoralization, and general unrest and suffering among the laboring classes.

Probably a billion and three-quarters of the excess of European purchases can be taken care of by the sale of American securities held in Europe and by the transfer of trade balances of oriental countries, but that will leave three-quarters of a billion to be met in some other way. Furthermore, even if that is arranged, we will have to face a more serious situation in January 1916, as the American securities held abroad will have been exhausted.

I believe that Secretary McADOO is convinced, and I agree with him, that there is only one means of avoiding this situation, which would so seriously affect economic conditions in this country, and that is the flotation of large bond issues by the belligerent governments. Our financial institutions have the money to lend and wish to do so. On account of the great balance of trade in our favor the proceeds of these loans would be expended here. The result would be a maintenance of the credit of the borrowing nations based on their gold reserve, a continuance of our commerce at its present volume and industrial activity with the consequent employment of capital and labor and national prosperity.

The difficulty is—and this is what Secretary McADOO came to see me about—that the Government early in the war announced that it considered "war loans" to be contrary to "the true spirit of neutrality." A declaration to this effect was given to the press about August 15, 1914, by Secretary Bryan. The language is as follows: "In the judgment of this Government loans by American bankers to any foreign nation at war is inconsistent with the true spirit of neutrality."

In October, 1914, after a conference with you, I gave my "impressions" to certain New York bankers in reference to "credit loans," but the general statement remained unaffected. In drafting the letter of January 20, 1915, to Senator Stone, I sought to leave out a broad statement and to explain merely the reasons for distinguishing between "general loans" and "credit loans." However, Mr. Bryan thought it well to repeat the August declaration, and it appears in the first sentence of division 13 of the letter, a copy of which I enclose.

On March 31, 1915, another press statement was given out from the Department, which reads as follows:

"The State Department has from time to time received information directly or indirectly to the effect that belligerent nations had arranged with banks in the United States for credits in various sums. While loans to belligerents have been disapproved, this Government has not felt that it was justified in interposing objection to the credit arrangements which have been brought to its attention. It has neither approved these nor disapproved—it has simply taken no action in the premises and expressed no opinion."

Manifestly, the Government has committed itself to the policy of discouraging general loans to belligerent governments. The practical reasons for the policy at the time we adopted it were sound, but basing it on the ground that loans are "consistent with the true spirit of neutrality" is now a source of embarrassment. This latter ground is as strong today as it was a year ago, while the practical reasons for discouraging loans have largely disappeared. We have more money than we can use. Popular sympathy has become crystallized in favor of one or another of the

belligerents to such an extent that the purchase of bonds would in no way increase the bitterness of partisanship or cause a possibly serious situation.

Now, on the other hand, we are face to face with what appears to be a critical economic situation, which can only be relieved, apparently, by the investment of American capital in foreign loans to be used in liquidating the enormous balance of trade in favor of the United States.

Can we afford to let a declaration as to our conception of "the true spirit of neutrality," made in the first days of the war, stand in the way of our national interests, which seem to be seriously threatened?

If we cannot afford to do this, how are we to explain away the declaration and maintain a semblance of consistency?

My opinion is that we ought to allow the loans to be made for our own good, and I have been seeking some means of harmonizing our policy, so unconditionally announced, with the flotation of general loans. As yet I have found no solution to the problem.

Secretary McAdoo considers that the situation is becoming acute, and that something should be done at once to avoid the disastrous results which will follow a continuance of the present policy.

Faithfully yours,

ROBERT LANSING.

Mr. NYE. Mr. President, there came the day of reckoning to which I have referred. That day was best pictured by him who was then our Ambassador in London, Walter Hines Page, who sent to the President a lengthy cablegram, which I ask to have printed in its entirety in the RECORD at this point.

There being no objection, the cablegram was ordered to be printed in the RECORD, as follows:

The financial inquiries made here reveal an international condition most alarming to the American financial and industrial outlook. England is obliged to finance her allies as well as to meet her own war expenses. She has as yet been able to do these tasks out of her own resources. But in addition to these tasks she cannot continue her present large purchases in the United States without shipments of gold to pay for them and she cannot maintain large shipments of gold for two reasons: First, both England and France must retain most of the gold they have to keep their paper money at par; and, second, the submarine has made the shipping of gold too hazardous, even if they had it to ship. The almost immediate danger, therefore, is that Franco-American and Anglo-American exchange will be so disturbed that orders by all the allied governments will be reduced to the lowest minimum, and there will be almost a cessation of trans-Atlantic trade. This will, of course, cause a panic in the United States. The world will be divided into two hemispheres, one of which has gold and commodities and the other which needs these commodities will have no money to pay for them and practically no commodities of their own to exchange for them. The financial and commercial result will be almost as bad for one as for the other. This condition may soon come suddenly unless action is quickly taken to prevent it. France and England must have a large enough credit in the United States to prevent the collapse of world trade and of the whole European finance.

If we should go to war with Germany, the greatest help we could give the Allies would be such a credit. In that case our Government could, if it would, make a large investment in a Franco-British loan or might guarantee such a loan. All the money would be kept in our own country, trade would be continued and enlarged till the war ends, and after the war Europe would continue to buy food, and would buy from us also an enormous supply of things to reequip her peace industries. We should thus reap the profit of an uninterrupted, perhaps an enlarging, trade over a number of years and we should hold their securities in payment.

I think that the pressure of this approaching crisis has gone beyond the ability of the Morgan financial agency for the British and French Governments. The need is becoming too great and urgent for any private agency to meet, for every such agency has to encounter jealousies of rivals and of sections.

Perhaps our going to war is the only way in which our present preeminent trade position can be maintained and a panic averted. The submarine has added the last item to the danger of uncertainty about our being drawn into the war; no more considerable credit can be privately placed in the United States, and a collapse may come in the meantime.

Mr. NYE. Mr. President, in part this cablegram from Ambassador Page pointed out:

The financial inquiries made here reveal an international condition most alarming—

Most alarming to whom?—  
to the American financial and industrial outlook.

He goes on and points out how helpless the Allies are going to be to continue prosperity if the way is not found to finance them. But how can we finance them? Mr. Page then suggests the way:

If we should go to war with Germany, the greatest help we could give the Allies would be such a credit. In that case our

Government could, if it would, make a large investment in a Franco-British loan or might guarantee such a loan. All the money would be kept in our own country, trade would be continued and enlarged till the war ends, and after the war Europe would continue to buy food and would buy from us also an enormous supply of things to reequip her peace industries. We must reap the profit of an uninterrupted, perhaps an enlarging, trade over a number of years and we should hold their securities in payment.

Think of that cold consideration. Declare war against Germany. The conclusion seems to be that we would not have to furnish a man, not a ship. All we would need to do would be to furnish the money, and the money we would loan the Allies would be spent right here with us to maintain our prosperity. When the war was over the Allies would be so appreciative of what we had done for them that they would continue to buy our goods, their peacetime requirements; our prosperity would grow and grow and grow, and after it was all over, Mr. President, and there was not any more prosperity to be gained, quoting Mr. Page again:

We should hold their securities in payment.

We would have nothing to lose. We would have everything to gain. In one respect, at least, Mr. Page was right. We are holding the securities. We are going to continue holding them. But I am getting away from this cablegram of the Ambassador, in which he went on to say:

Perhaps our going to war is the only way in which our present preeminent trade position can be maintained and a panic averted.

The only way to avert a panic was to go to war! The ambassador was not thinking of the kind of panic that would come into every American home automatically with a declaration of war. He was thinking of the kind of panic that would come into the money-changing places. Then again in his cablegram the ambassador made this very significant statement:

I think that the pressure of this approaching crisis has gone beyond the ability of the Morgan financial agency for the British and the French Governments.

Which is another way of saying "The Morgans have reached the end of their rope, Mr. President. Now what are you going to do about it?" Oh, I know the contention that Mr. Page's word was not received in official circles with any confidence. That is the contention. Yet this man, who could not retain the confidence of his superiors, was maintained at that most important of all posts throughout those trying years. We know that 30 days after receipt of that cablegram the United States was prevailed upon to declare war against Germany, not to avoid a panic but to make the world safe for democracy, to save our souls.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. NYE. I yield.

Mr. BARKLEY. I ask unanimous consent that, beginning at 12 o'clock on Monday next, no Senator shall speak more than once nor longer than 20 minutes on the bill, nor more than once nor longer than 10 minutes on any amendment thereto.

The PRESIDING OFFICER. Is there objection?

Mr. FRAZIER. I did not understand the provisions of the suggested agreement.

Mr. BARKLEY. That beginning on Monday at 12 o'clock noon no Senator shall speak more than once nor longer than 20 minutes on the bill, nor more than once nor longer than 10 minutes on any amendment thereto.

Mr. LUNDEEN. Mr. President, will the Senator yield?

Mr. NYE. I yield.

Mr. LUNDEEN. I wonder if our leader would not agree to 30 minutes on the bill and 15 minutes on any amendment.

Mr. BARKLEY. Mr. President, this bill has been debated extensively in the Senate. Every Senator has had an opportunity to express himself on it. The agreement requested would give 30 minutes to any Senator who wanted to make a continuous speech. In addition to that he would have 10 minutes on any additional amendment that may be offered.

Mr. LUNDEEN. I shall not object, but I wish to make it clear that I felt the time limitation should be 30 minutes on the bill.



Mr. WALSH. Mr. President, I do not object, but I should like to have Senators agree that I shall have the opportunity to close the debate on the bill, as I am in charge of the bill. I think that is the usual courtesy extended to the Senator in charge of a bill.

Mr. NYE. Does the Senator mean this afternoon?

Mr. WALSH. No; on the last day before the vote is taken.

Mr. BARKLEY. I think that is a courtesy that ought to be extended to the Senator in charge of the bill.

Mr. NYE. I would have no objection to that procedure.

Mr. WALSH. I thought the Senator would not object to that suggestion.

Mr. NYE. I assume, of course, that if the Senator from Massachusetts is given the privilege of making the closing argument, he will submit himself reasonably to questioning when he is making his closing argument?

Mr. WALSH. I should not like to be interrupted in my closing statement if I am limited in time. If the limit of time is extended, I shall be glad to submit to questions. I have had to refrain from speaking in reply to Senators who have spoken in opposition to the bill, because I did not want to prolong the discussion until a limitation of debate was reached.

Mr. BARKLEY. Mr. President, the agreement is entered into, if it shall be entered into, with the understanding that the Senate shall take a recess until Monday.

Mr. NYE. Until 12 o'clock noon on Monday?

Mr. BARKLEY. Until 12 o'clock noon on Monday.

Mr. JOHNSON of Colorado. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER (Mr. Brown of Michigan in the chair). The Senator will state it.

Mr. JOHNSON of Colorado. I have two amendments to this bill which I consider very fundamental and very important. Will I have the privilege of offering them Monday and debating them and having them considered?

Mr. BARKLEY. Yes.

The PRESIDING OFFICER. The agreement would not interfere with that procedure.

Mr. BARKLEY. The agreement would not interfere with the right of any Senator to offer any amendment or discuss it. It would simply limit the time for debate on the bill and on the amendments.

Mr. NYE. I should like to make an inquiry in that connection. There is not any desire to close debate this afternoon, is there? There is going to be opportunity through the remainder of the afternoon for debate?

Mr. BARKLEY. No; it is my purpose to have the Senate continue in session until the usual hour today, so that any Senator who wishes to speak this afternoon may have the opportunity to do so without limitation.

Mr. NYE. I thank the Senator.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request proposed by the Senator from Kentucky?

Mr. NYE. I should like to have the unanimous-consent request stated.

Mr. BARKLEY. I will repeat it. I ask unanimous consent that beginning at 12 o'clock noon on Monday next, on the assumption that the Senate will not meet tomorrow, and during the further consideration of the pending bill, no Senator shall speak more than once nor longer than 20 minutes on the bill, nor more than once nor longer than 10 minutes on any amendment thereto.

The PRESIDING OFFICER. Is there objection?

Mr. McNARY. That is conformable to an agreement that was made earlier.

Mr. BARKLEY. That is true; yes.

The PRESIDING OFFICER. The Chair hears no objection, and it is so ordered.

Mr. BARKLEY. I also ask unanimous consent that when the Senate concludes its business this afternoon it take a recess until 12 o'clock noon on Monday next.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. NYE. Mr. President, to war then we went for these avowed purposes. Yet we can see now how behind all of this pressure and effort through the months and the years was the desire for opportunity for profit which was afforded by dealing with nations at war. On the day we declared war against Germany the Allies owed American bankers just a little bit short of \$3,000,000,000. Our first move was in keeping with the suggestion made by Mr. Page. We floated gigantic issues of Liberty loan bonds. We raised billions of dollars. Out of those billions of dollars we loaned billions of dollars to those who had now become our allies. Out of those billions of dollars our Allies very largely paid off their private obligations to American bankers.

Today, the Allies owe these bankers not one penny of war debt. It has all been paid, principal and interest. But the same Allies have managed to pay the United States, on the basis of the obligation owing it, only to the extent of approximately 6 percent of the total that was loaned to them, and they avow that they can pay no more.

I submit, Mr. President, it is altogether fair to ask the question, if the United States had not gone into the war, is it likely that the bankers ever would have collected more than 6 or 7 percent of the obligation which was owed them? I ask that question without even insinuating that my country went to war to protect bankers' loans. I am only trying to say that it was the continuation of loans and credits which laid the base which was necessary if the larger American appetite for the profit available from other people's wars was to be continued and enjoyed. In the light of what some have said about the cause of our going into the war being that of saving our souls, I sometimes wonder where some men carry their souls.

In the light of this experience the Congress was made to respond with a policy of neutrality which would not permit pressure to be brought upon a single individual, as it was brought to bear upon Woodrow Wilson. Congress enacted a neutrality law forbidding munitions to nations at war, forbidding loans to nations at war, and keeping Americans off the ships of nations at war. That law is on the statute books today. It is not necessary for me to repeat what the Senator from Wisconsin [Mr. LA FOLLETTE] so well said yesterday as to the desire to invoke that law across the Pacific. We have been told that it is not invoked for one reason or another; but the facts are, Mr. President, that the explanation for the failure to invoke that law is to be found in a statement issued to the press within a year after the President, at Chautauqua, N. Y., had portrayed the difficulty of staying out of other people's wars. Before the microphone the President had said:

It is not going to be easy to stay out of other people's wars. When we invoke our neutrality policy there will be selfish Americans objecting on the ground that it will interfere with our foreign trade.

But the President said:

We ought to have learned our lesson. We ought to be strong under conditions of that kind. So far as I am concerned, if the choice is ever one as between peace and profits, America's choice is going to be peace.

Last August the Senator from Missouri [Mr. CLARK], the Senator from Michigan [Mr. VANDENBERG], the Senator from Washington [Mr. BONE], and I were asking, day after day, "Why is not this law of neutrality being invoked?" One day came the answer, a carefully prepared statement released to the press under a Washington headline dated August 18, 1937. That statement was a 100-percent fulfillment of the President's prophecy that if ever invoking the neutrality law were undertaken selfish forces would object on the ground that it would interfere with our foreign trade.

Who was the selfish individual responsible for the statement of which I speak? I have before me the New York Times of Thursday, August 19, 1937. The headline is:

Roper sees snags in neutrality law.

Mr. Roper's statement follows, in which he says:

Invoking of our neutrality law in China and Japan will interfere with our foreign trade.

I submit this story, Mr. President, for no other purpose than to add to Mr. Hubert Herring's story the picture of the likeness between our steps in 1915, 1916, and 1917, and our steps and our direction today. In many respects our steps today are on all fours with those of 20 years ago. We still entertain the desire to satisfy our appetite for the profit available from other people's wars. We cannot contemplate trying to get along without that profit. So long as that appetite is to be entertained so long will America be headed straight in the direction of another war.

Mr. President, in conclusion I ask unanimous consent to have printed in the RECORD the chapter from Hubert Herring's book, *And So to War*, starting at page 21, under the title "The March of 1938."

The PRESIDING OFFICER. If there is no objection, the material referred to may be printed in the RECORD.

The matter referred to is as follows:

#### THE MARCH OF 1938

There is a new tingle in the Washington air. The sluggish sap pushes up through the trunks and limbs and tendrils of the cherry trees on the Potomac, recalling other springs when Japan was our friend.

There is other flow of life in Washington. Its stream moves through the Executive offices and the State Department across the way, and on down through the Army and Navy headquarters. Men are closeted. Mimeographs grind out press releases.

The Washington air is reminiscent of the last days of 1916, of the days of early 1917. One can almost catch the beat of marching feet, the pulse of distant music. Almost. Or perhaps it is only the clearing of the throats of the buglers.

But the President wants peace. He says so. The Secretary of State wants peace. He says so. Everyone wants peace. Everyone says so. And almost everyone expects war. There is nothing hidden about this expectation. It spills over into hotel lobbies among men who know little. It is soberly discussed among critics who know much. It is talked over in congressional cloak rooms. Early in January one of the influential financial services informed its clients that Mr. Cordell Hull was telling his trusted friends that soon, probably before the year is out, the United States must force Japan to a show-down.

Gossip? If you will, but the gossipers are men who usually deal with facts.

1938 is 1914—so they are saying in Washington.

But, no, it is not 1914, says Mr. Franklin D. Roosevelt. Yesterday it was simply a fight on the Kaiser's Germany. Today it is a fight on "treaty breakers." On October 5, 1937, he reminded the world that "the foundations of civilization are seriously threatened." The following day, in the *Daily Worker*, Mr. Earl Browder echoed, "The Communist Party welcomes the President's declaration of a positive peace policy for the United States." In 1914, the left-wingers opposed the war, and some went to prison when war came. In 1938, the left-wingers bless the war, and fall into step with Mr. Roosevelt. Moscow has come to the succor of a new war for democracy.

1938 is not 1914. Roosevelt is right, for the sufficient reason that 1938 is more nearly comparable to 1917.

In 1914, when war broke in Europe, Mr. Wilson declared American neutrality. By 1915 we were lending money to the Allies, accepting the British "blockade," demanding "strict accountability." By 1916 we accepted the British blacklist which even Canada rejected. By 1917 we declared war.

But Roosevelt travels faster. In May 1937 a Neutrality Act was passed. In July war broke in Asia. In October Mr. Roosevelt invited a quarantine of aggressors. In November he sent representatives to Brussels to participate in a conference against aggressors. In December he demanded from Japan strict accountability for the safety of American lives, property, and interests. In January 1938 he proposed a greatly enlarged navy. In February he was sending cruisers on "peaceful journeys" to Asiatic waters.

It is all a matter of tempo. Roosevelt has gone further toward war in 6 months than Wilson did in 2 years. Just as Wilson insisted that his every move was dictated by the love of peace, so does Mr. Roosevelt affirm that his heart is set on concord. Peace is the burden of the Presidential promise. In the pursuit of peace, we keep our gunboats in a war zone on the Yangtze, our marines in Chinese ports, furnish convoys to Standard Oil barges, strengthen our Asiatic squadron, send cruisers to join in the British dedication of the Singapore base. To all of these things are added an encouraging fireside talk by the President and repeated sermons by the Secretary of State. We are given to understand that under no circumstances are we going to fight Japan, but that in some unrevealed fashion we are going to frighten Japan into repentance.

This is the approved way to war.

The British know it. Mr. Anthony Eden told the Commons on December 21, 1937: "There are two possible forms of sanctions; the ineffective, which was not worth putting on, and the effective, which meant the risk, if not the certainty of war," and that "no one could contemplate any action of that kind in the Far East

unless they were convinced that they had overwhelming force to back their policy."

There are two things to be said of Mr. Roosevelt and his associates in the international crisis of 1937-38.

Either they are bluffing, and are therefore futile.

Or they are not bluffing, and are therefore dangerous.

Bluff or threat, Mr. Roosevelt and Mr. Hull, beginning with July 1937, have conducted a campaign of education designed to unite the American people behind the administration in its threats against Japan (and indirectly against all such nations as do not accept the dicta of the "free democracies") and to prepare the American people for such measures as Mr. Roosevelt and Mr. Hull may decide necessary.

#### THE STEPS OF OUR EDUCATION

The American people have been sent to school by Mr. Roosevelt and his aides. Progressive educational methods suggest that the pupils apply their critical faculties to the methods of education. We may, therefore, without doing violence to sound schooling, pick out the steps in which our feet are led.

Lesson I: We began with moral preachments.

On July 16, 1937—within a week after the outbreak of hostilities in China—Mr. Cordell Hull sent to all the foreign offices of the world a statement of "this Government's position in regard to international problems and situations with respect to which this country feels deep concern." We stand, announced the Secretary, for the maintenance of peace. We advocate national and international self-restraint. We advocate abstinence by all nations from use of force in pursuit of policy and from interference in the internal affairs of other nations. We advocate adjustment of problems in international relations by processes of peaceful negotiation and agreement. We advocate faithful observance of international agreements. Upholding the principles of the sanctity of treaties, we believe in modification of provisions of treaties, when need therefor arises, by orderly processes carried out in a spirit of mutual helpfulness and accommodation. We believe in respect by all nations for the rights of others and performance by all nations of established obligations. We stand for revitalizing and strengthening of international law. We advocate steps toward promotion of economic security and stability the world over. We advocate lowering or removing of excessive barriers in international trade. We seek effective equality of commercial opportunity, and we urge upon all nations application of the principle of equality of treatment.

This statement of faith and practice, with the obvious underlying assumption that the United States had remained faithful to the precepts cited, was followed by a clear warning.

We believe in limitation and reduction of armaments. Realizing the necessity for maintaining armed forces adequate for national security, we are prepared to reduce or to increase our own armed forces in proportion to reductions or increases made by other countries.

The meaning of that encyclical becomes clearer as events pile up. Against the background of Japanese invasion of China, and of threatened alliance between Germany and Italy and Japan, Mr. Hull in effect said: The United States with pure heart and holy purpose states the rules of the world game; the United States abides by these rules; if the world respects them, the United States will cooperate in their fulfillment; if the world does not abide by them, the United States will increase its Army and Navy.

It was an educational encyclical, designed to edify the nations and calculated to prepare the people of the United States for the next crusade.

The chancelleries of the world studied the document and returned their several comments. Such "free democracies" as are presided over by Dictator Vargas of Brazil and Dictator Trujillo in Santo Domingo, rushed to commend the Secretary. France and Great Britain said, "Of course." Portugal, historic protectorate of the British Empire, argued. Her "memoire" deserves wider reading than it will get from the press releases of the State Department.

On general grounds . . . no objection can be raised against the assertions, advices, or wishes as a whole, of the Secretary of State; everyone desires peace, everyone proclaims the sanctity of treaties and the faithful compliance therewith, everyone desires that there be less difficulties in international trade, and everyone wishes to have the burden of armaments removed or lightened. Difficulties begin only when it is sought to pass from the field of intentions into that of action, or, more concretely, what is to be done so that the events—in the development of which it is very difficult to establish individual or national responsibilities—will not contradict the good intentions?

This excerpt indicates the realistic tenor of the document, and suggests that hidden deep in the Foreign Office in Lisbon (or perhaps in Rome) is a man of rare humor. The statement ends:

" . . . the nations are attached to false ideas and have taken the habit of entrusting the solution of grave external problems to vague formulae and inconsistent combinations; and to acknowledge by means of an impartial examination the inanity of the efforts made in that direction appears to this Government to be the first step and the indispensable preparation of the ground for any constructive work."

<sup>1</sup> London Times, December 22, 1937.

<sup>2</sup> The Department of State press releases, September 18, 1937.



Lesson II: In August and September Mr. Cordell Hull made various speeches in which he cautiously broke further ground. What we want, said Mr. Hull, is not neutrality but peace.

Lesson III: Sunday, September 5, 1937, President Roosevelt was fishing off Montauk Point. The bombing of the *President Hoover* on August 30 by a Chinese plane was under discussion. A reporter asked, "What about our nationals in China, Mr. President?" The President replied, "All the 7,780 Americans in China have been strongly urged to get out and any who remain after that warning do so at their own risk."

On September 7, Mrs. Theodore Roosevelt, Jr., arrived from China. She had had a bad trip on the tender down the Whangpoo River, and was willing to talk to the press: "If the national administration takes the attitude Americans should stay at home and need expect nothing if they travel or work for an American company in the Far East, then why the Asiatic fleet?"

September 9, Mr. Hull said that United States marines and the Asiatic squadron would stay in China as long as trouble lasted. Our national responsibility would not end so long as there were any Americans in China.

September 25, Admiral Harry E. Yarnell, commander in chief of the American Asiatic Squadron, sent out an order to all units under his command:

"The policy of the commander in chief during the recent emergency is to employ United States naval forces under his command so as to offer all possible protection and assistance to our nationals in cases where needed. Naval vessels will be stationed in ports where American citizens are concentrated and will remain there until it is no longer possible or necessary to protect them or until they have been evacuated.

"This policy based on our duties and obligations will be continued as long as the present controversy between China and Japan exists and will continue in full force even after our nationals have been warned to leave China and after an opportunity to leave has been given.

"Most American citizens now in China are engaged in businesses or professions which are their only means of livelihood.

"In giving assistance and protection our naval forces may at times be exposed to dangers which will in most cases be slight, but in any case these risks must be accepted."

When the State Department was asked for confirmation of this statement, none was forthcoming—neither was there disavowal.

Lesson IV: August 26 the Japanese naval authorities announced that it might be necessary to include American and other foreign shipping in the 800-mile blockade of the Chinese coast.

August 27 the Government-owned freighter *Wichita* sailed from Baltimore with 19 airplanes and other war material for China. At State Department orders, the boat was held at San Pedro, Calif. Several weeks later the material was shifted to an English vessel.

August 27 Mr. Hull served notice on Japan and China that the United States reserved all rights on its own behalf and on behalf of its nationals for damages to American lives or property growing out of the operations of their military forces.

Lesson V: October 3 the New York Sunday News, which boasts the largest circulation of any American newspaper, carried in its brightly colored pictorial section a two-page map of the Pacific under the caption "Long Distance Blockade." A swinging dotted line was drawn from the southern tip of Alaska, passing west of Hawaii, north of New Guinea, south of Borneo, to Singapore. This line was divided in two parts, one of which was labeled "Blockade Line Controlled by British Fleet," and the other "Blockade Line Controlled by United States Fleet." Inside this blockade line was another line bellying out from Siberia and reaching the Philippines. The label on this line read, "Limit of Japanese fleet effectiveness from home bases." The moral was clear, the lesson simple. Two footnotes might be added to this map, which may or may not be germane. First, visitors at the White House have informally reported that Mr. Roosevelt has, at various times during recent months, idly sketched a map whose lines resemble those printed in the News. Second, the publisher of the News happened to visit the President 2 weeks before the map appeared.

Lesson VI: October 5, President Roosevelt made his speech at Chicago, in which he attacked the dictatorships, invited the cooperation of the free democracies and the quarantine of the unruly. On the same day, by a strange coincidence, the League of Nations strengthened a previously weak statement, denounced Japan, and proposed joint action under American leadership. On October 6 the New York Herald Tribune reported that a copy of Mr. Roosevelt's speech was delivered to the British Foreign Office before he gave the address.

Lesson VII: October 6, the State Department issued a formal memorandum which recited the virtuous steps taken by the administration, the admonitions delivered on the use of force and on the sanctity of treaties, and in effect declared Japan an aggressor—although avoiding the actual use of the word. It was intimated by the Department that the United States would welcome the calling of a conference of the signatories to the Nine Power Treaty.

Lesson VIII: October 7, there appeared in the New York Times a full-page letter from the Republican ex-Secretary of State, Henry L. Stimson, greeting the President's speech as "an act of leadership" which he hoped "will result in a new birth of American courage in facing and carrying through our responsibilities in

this crisis." "In this grave crisis in the Far East," said Mr. Stimson, "we not only must not fear to face issues of right and wrong but we must not fear to cooperate with other nations who are similarly attempting to face those issues." The timing was excellent.

Lesson IX: October 6, Earl Browder, secretary of the Communist Party in the United States, announced in the *Daily Worker*: "The Communist Party welcomes the President's declaration of a positive peace policy for the United States. There is not the slightest doubt that it embodies the essential features of what is the only way by which America can be kept out of war. Such a policy has been called for by the Communist Party as well as by all clear-headed peace advocates."

Lesson X: October 22, Mr. Hull journeyed to the University of Toronto to receive an honorary degree and to make a speech on the beauties of international order.

Lesson XI: November 3, the conference of the signatories to the Nine Power Treaty convened in Brussels, with 19 powers in attendance—a rump League of Nations to which the United States could come without too openly defying America's overwhelming decision to stay out of the League.

Germany did not attend.

Japan, twice invited, refused to send a delegation.

The official surprise at Japan's refusal was reflected in the *New York Times* (November 21) in these words from Edwin L. James: "To gracious invitations to attend the conference and its polite bidding to accept mediation Japan has replied in successful defiance." But Japan, which had read and pondered the ugly words "aggressor" and "quarantine," might question occidental definitions of "gracious invitations."

The Americans were there, with Norman H. Davis as the President's representative. Their presence gladdened the British. Mr. Anthony Eden told the House of Commons: "I would go from Melbourne to Alaska to get the United States to the conference." But it was not necessary for Mr. Eden to overwork himself. "It is not of record," wrote Mr. Edwin L. James in the *New York Times* (November 21), "that Britain, or anyone else, forced us to inspire the calling of the sad Brussels conference. It was our idea; it was our party."

Brussels was dismal. The British tried to push Mr. Norman Davis out into the spotlight, to let the United States take the bow as the Lochinvar out of the West. However, the realistic British had already announced their unwillingness to touch sanctions. They were ready to add their blessing to any brave intentions which Washington might entertain. But Mr. Davis, instructed by a government which had heard the cautions of the American hinterland, would not take the spotlight. He followed orders, said little, apparently did nothing.

If Washington was not yet ready to back brave words with bold deeds, it was equally clear that Britain contemplated no crusade. Pertinax, foreign editor of *Echo de Paris*, wrote: "The French and British ministers could not dream of diverting to the Far East even the slightest fraction of their military forces at a time when they were confronted in the Mediterranean and Northern Africa with the most dangerous developments and possibilities."

On November 24 the Brussels conference adjourned. The United States had refused to be pushed out to the front of the stage. Britain had managed to promise nothing. The conference passed a mild vote of censure on the world in general, expressed a hope that there might be another conference somewhere sometime, and quit.

Why, then, did the United States inspire the conference, and why did Britain encourage its convening? The best current answer to the first question—a guess at that—is that Roosevelt hoped that Britain would propose some mighty scheme for blockading Japan, and that the United States could trail along with Britain. Another answer is that Roosevelt saw in Brussels further schooling of the American public. The answer to the second question seems to be that Britain, while determined not to become embroiled in the Far East, was eager to reinforce Mr. Roosevelt's crusading enthusiasm for policing the Pacific. Pertinax commented, "They (the British) expected that by giving him empty words about the Far East, they would make him more inclined in the future to join a common front against Europe's bellicose dictators." At any rate Britain was patiently happy in its cultivation of the United States. Mr. Eden assured the Commons:

"There is not, and cannot be, any question of treaty or any question of entanglements but there is a true community of outlook; and it is that which can prove an invaluable asset in the maintenance of peace which is the first and greatest asset."

Sober British reflections on Brussels were indicated in the editorial wisdom of the *London Times* (November 25):

"The British Government was ready to go all lengths with any other power which had constructive proposals to that end; but recent experience had taught them the uselessness of taking the initiative in defending international treaties without assurances that they would obtain something more than platonic support. Without such assurances, they could not reasonably commit their country to a course of action which would inevitably have ended in a fiasco."

One item from Brussels was eloquent. For 2 hours, Norman H. Davis sought to get into the message to Japan a phrase to the

\*New York Times, September 7, 1937.

\*New York Times, November 21, 1937.

\*Idem, November 7, 1937.

\*Ibid.

\*London Times, December 22, 1937.



effect that no nation ever obtained satisfactory results from the use of armed force. He failed. Britain and France were content, as always, to leave the preachments to America.

Lesson XII: November 30, the New York Times, in a three-column editorial, "America's Aloofness", denounced those who would spread the conviction abroad that the United States would remain neutral. It announced that "the United States has lost its leadership in world affairs . . . the reason for this loss of influence is plain: treaty-breaking governments and dictators have become convinced that for no cause short of actual invasion will the United States initiate or join in any effective movement to assure world peace."

Lesson XIII: December 12, Japanese fliers dropped bombs on the United States gunboat *Panay* and her convoy of three Standard Oil barges, in the Yangtze River, 25 miles above Nanking. The boat was plainly marked and carried the American flag. Three Americans were killed.

At home, the State Department issued a flood of releases giving successive new details which were eagerly printed.

Lesson XIV: December 13, the President instructed the Secretary of State to request the Japanese Ambassador to inform the Emperor of Japan that "the President is deeply shocked and concerned." The facsimile reproduction of the President's memorandum, widely printed in the press, showed that the word "suggests" had been crossed out, and the word "requests" written in by the President.

Before the American protest could be handed to the Japanese Government, the Japanese had already handed to our Ambassador in Tokyo a complete apology with promise of reparation.

The second and more formal Japanese apology, delivered on December 24, was accepted, and the incident closed with further warnings from Washington.

The pictures of the bombing of the *Panay* were rushed by airplane to the United States, protected by soldiers, and were exhibited throughout the country.

January 6, 1938, J. Hall Paxton, Second Secretary of the American Embassy at Nanking, and a survivor of the *Panay*, reached Washington and received the press. "Mr. Paxton was wearing the same suit he had on when the *Panay* was bombed by Japanese airplanes. The coat and vest were stained by blood and acid from the bombs, and the coat had a large rent in the right shoulder," reported the New York Times (January 7, 1938).

Lesson XV: December 15, Col. Frank Knox's Chicago Daily News announced, "In whatever the President does, to maintain American self-respect, and the respect of other nations, he will have the overwhelming support of the Nation."

Lesson XVI: December 19, the newspapers carried a story to the effect that the President wanted more stringent legislation against the photographing of our national fortifications. "Things going on on the Pacific coast make the legislation necessary," said the Congressman who brought word of the President's will.

Lesson XVII: December 20, Alfred M. Landon wired the President a pledge of "cooperation and support in the difficult foreign situations confronting your administration." Mr. Landon praised the tradition that "politics cease at the water's edge," deplored those who "create the impression on foreign nations that they do not trust your administration of foreign affairs," and ended with the assurance: "You and I both know the American people want peace, but they want a peace that will enable us to maintain the respect of the other nations of the world."

Lesson XVIII: December 24, newspaper headlines (World-Telegram) announced, "U. S. Spy Hunters Raid Japanese Liner, Seize Letters Linked to Navy Plans." But the next day the story fizzled out. The letters were not important.

Lesson XIX: December 29, the New York Times carried headlines, "Roosevelt for Larger Navy; Voices Growing Concern at Trend of World Affairs." The President had sent notice to the House Committee on Appropriations that he would shortly ask for an increased appropriation for navy building.

Lesson XX: January 3, 1938, President Roosevelt, in his message to Congress, reiterated "the determination of this Nation for peace," expressed himself as thankful "that our Nation is at peace." "It has," he reported, "been kept at peace despite provocations which in other days, because of their seriousness, could well have engendered war." He recited our American record for "advocating the use of pacific methods of discussion and conciliation in international differences," striving "for the reduction of military forces . . . observing our own treaty obligations." But, the President warned that we "cannot be certain of reciprocity on the part of others." Therefore, the President concluded that we must "be strong enough to assure the observance of those fundamentals of peaceful solution of conflicts which are the only ultimate basis for orderly existence."

Lesson XXI: January 10, the House of Representatives, by a vote of 209 to 188, refused to permit the bringing out of committee of the Ludlow resolution providing for a national referendum on a declaration of a war to be fought outside the United States. The measures adopted by the administration to kill the Ludlow resolution were reminiscent of those used by the Wilson administration to defeat the Gore-McLemore resolutions in 1916 warning American citizens against taking passage on armed belligerent merchantmen. In each case the President made it an issue of personal loyalty and prestige. In each case there seems

to have been a clear majority of congressional support for the measures. In 1938, as in 1916, Congress' desire to stand for neutrality was defeated by the battering of Presidential rams. In the case of the Ludlow resolution, the administration wished not only to defeat the resolution but also to gag discussion of the administration's course in the Far East. For the week preceding January 10, the heat was turned on rebellious Congressmen. The chief patronage dispenser, James A. Farley, used the telephone to good effect. Congressmen who expected favors for their districts, and who hoped to use those favors as arguments for reelection, were reminded of those simple facts of life to which no Congressman can be safely oblivious. During the debate, Speaker Bankhead left the chair and spoke from the floor. He read a letter from Mr. Roosevelt in which the measure was condemned as calculated to "cripple any President in his conduct of our foreign relations, and it would encourage other nations to believe that they could violate American rights with impunity." The measure was lost by a narrow margin. A shift of 11 votes would have defeated the administration's attempt to throttle discussion.

Lesson XXII: January 10, Mr. Cordell Hull wrote Vice President Garner, in answer to the Senate's request for the latest available information on American interests in China and the size of American armed forces there. He stated that there were some 6,000 American nationals in China, that these were being protected by 528 marines at Peiping, 614 soldiers at Tientsin, and 2,555 marines at Shanghai (of whom 1,500 had been sent in August 1937), and that our American investments in China amount to \$132,000,000, in addition to some \$40,000,000 worth of missionary property, something more than \$25,000,000 worth of property owned by American residents in China, and a total of about \$40,000,000 in Chinese obligations long in default. The bulk of the Secretary's reply was devoted to informing the Vice President and the Senate—and through them the American people—that "the interest and concern of the United States in the far eastern situation, in the European situation, and in situations on this continent are not measured by the numbers of American citizens residing in a particular country at a particular moment nor by the amount of investment of American citizens there nor by the volume of trade." "There is," said Mr. Hull, "a broader and much more fundamental interest—which is that orderly process in international relationships be maintained."

The Philadelphia Record, in an editorial entitled "The Marquis of Queensberry" (January 12), replied to Mr. Hull:

"Secretary of State Cordell Hull wants to be the world's Marquis of Queensberry."

"His notes, letters, statements constitute a rules book that strives to bring the brutal realities of expansion, conquest, and war into line with the ideals of a chivalrous Tennessee gentleman, for whose motives we have only the highest respect."

"Nobody has the remotest notion of obeying the rules but apparently that doesn't matter to Mr. Hull. As long as he can write the world's moral platitudes, he cares not who makes its bombs."

"For instance, there is a ship sailing down the Delaware today with 20,000 aerial bombs on board. The vessel flies the Nazi flag, and it is an open secret in shipping circles here that the bombs are destined for Japan."

"In due course these bombs doubtless will be dropped upon Chinese civilians. And Secretary Hull will be horrified. He may write a note of protest, as he has before, pointing out that dropping bombs on women and children is ghastly inhumanity and contrary to the rules of war."

"But Secretary Hull did not raise a hand to stop the shipment of these Pennsylvania-made bombs to Japan. In fact, he is deliberately refusing to apply the neutrality law which would have prevented the bomb shipment."

"While these bombs were being loaded—with the knowledge and consent of the State Department—Mr. Hull was writing a letter."

"It was a very high-minded letter intended to explain why the United States keeps ships and soldiers and marines in China."

"Mr. Hull said this country keeps forces in China because we are deeply interested in supporting by peaceful means influences contributory to preservation and encouragement of orderly processes."

"We don't know quite what that means, but apparently everyone should know because Mr. Hull goes on to say:

"This interest far transcends in importance the value of American investments in China. It transcends even the question of safeguarding the immediate welfare of American citizens in China."

"As near as we can make out, then, the purpose in keeping a military and naval establishment in the middle of the Japan-China war is not to safeguard either American lives or property, but rather to encourage a nebulous something called 'orderly processes.'"

"The 20,000 aerial bombs which Mr. Hull has allowed to be sent to Japan will be wonderful contributions to 'orderly processes.'"

"Our diplomatic Marquis of Queensberry is so intent on his rule book that he allows Japan's second, Hitler, to stuff an American-made horseshoe in Japan's glove."

"The American people don't intend to step in and protect China from Japan. Then why do we horn into the Asiatic carnage at all? Since we don't choose to uphold and enforce Mr. Hull's rules of polite conquest, why must this Nation continue to make a spectacle of itself by scolding those who do not observe them?"

"Our forces in China cannot establish 'orderly processes.' They cannot protect the lives and property of Americans who choose to stay there."

\* New York Times, January 4, 1938.



"Why, then, keep them there? We give moral support to the Chinese by the presence of our troops, and material support to the Japanese by sending bombs.

"Neither is likely to thank us for adopting conflicting courses which may involve us in serious trouble.

"Mr. Hull could set a great example in respect for 'orderly processes' by obeying the spirit of the neutrality act and ending the subterfuge by which his State Department officially ignores the fact that there is a war in China.

"Both our troops and our bombs belong at home."

Lesson XXIII: January 11, 1938, the President, at his press conference, was asked about the report of John V. A. MacMurray, just returned from a diplomatic errand to the Philippine Islands. After a moment's hesitation, Mr. Roosevelt replied that it had been decided to extend our preferential trade arrangements with the Philippines until 1960. State Department officials considered this admission by the President a serious indiscretion.

Lesson XXIV: January 13, Washington announced that three American light cruisers would participate in the ceremonies in connection with the opening of the new British naval base at Singapore on February 14. This friendly visit was to be made at the courteous invitation of the British Government.

Lesson XXV: January 24, 1938, President Roosevelt released a letter addressed to Admiral Grayson, chairman of the American Red Cross, authorizing an appeal for funds, suggesting \$1,000,000 as a goal, for the relief of the Chinese millions made destitute by the Japanese attack. It was explained that the Japanese Red Cross had signified that it did not need such aid.

Lesson XXVI: January 17, 1938, American Ambassador Grew handed the Japanese Foreign Minister a sharply worded protest against repeated offenses against American rights in China. This protest listed such indignities as trespass upon American properties, the removal of goods and employees, and noted that Japanese soldiers "have also in numerous instances torn down, burned, and otherwise mutilated American flags." The note of protest pointed out the impossibility of reconciling such acts with the assurances given by Japan in the Panay apology of December 24, 1937.

This note of protest, delivered on January 17, was not released to the press by the State Department in Washington until January 27.

Lesson XXVII: January 28, 1938—the day after the release of the latest note to Japan—President Franklin D. Roosevelt sent a message to Congress, asking for a long-range 20-percent increase in the Navy and improvements for the Army, at a probable cost of \$1,000,000,000 or more. Mr. Roosevelt stressed our role as a peace-loving nation, recited our efforts to bring about reductions in armament, the alarming increase in world armaments, and reported that "our national defense is, in the light of the increasing armaments of other nations, inadequate for purposes of national security, and requires increase for that reason." Mr. Roosevelt pointed out that "adequate defense means that . . . we must keep any potential enemy many hundred miles away from our continental limits." He reminded Congress that we face two oceans, and that we must not forget the Panama Canal. "It is our clear duty," says the President, "to further every effort toward peace, but at the same time to protect our Nation . . . Such protection is and will be based not on aggression but on defense."

Lesson XXVIII: January 28, 1938, the State Department announced that a vigorous protest would be made against the slapping of the face of John M. Allison, Third Secretary of the American Embassy in Nanking, by a Japanese sentry on January 27. Mr. Allison, on an errand to determine which Japanese were responsible for an attack on a Chinese girl, had gone into the Japanese barracks. The Japanese sentry had ordered him to get out, and had added the slapping. The Japanese soldier claimed that the diplomatic officer had been insolent and abusive. The American denied the charges. The Department of State released Mr. Allison's report to the press—which the New York Times called an almost unprecedented step.

January 30, 1938, the Japanese Foreign Office made an apology for the slapping of Mr. Allison, gave assurance that the guilty soldier would be punished, and the incident was closed. The press reported "a stiffening of the State Department's attitude" in the handling of the Allison slapping case. American Ambassador Grew's demand for an apology was delivered on the 29th, with the suggestion that the apology should be forthcoming the next day. The apology was delivered at 10 o'clock the next evening.

Lesson XXIX: January 31, 1938, President Roosevelt received a group of 200 Protestant clergymen. To their greetings he replied with a statement in which he testified to his gratification over "the spiritual awakening" since 1934. "It is," said Mr. Roosevelt, "a very significant thing that this awakening has come about in America. It makes me realize more fully that we do have, in addition to the duty we owe to our own people, an additional duty to the rest of the world. Things have been going on in other countries—things which are not spiritual in any sense of the word—and that is putting it mildly. I must make a confession: I did not realize until the last few years how much influence America has in the world. I did not really, deep down in my heart, believe very much in church missions in other lands. Today I do."<sup>9</sup>

<sup>9</sup> New York Times, February 1, 1938.

<sup>10</sup> Idem.

Lesson XXX: January 31, 1938, Admiral William D. Leahy, Chief of Naval Operations, testified before the House Committee on Naval Affairs on behalf of the administration's naval construction program. He assured the committee that "the political conditions in the world at this moment, both in Europe and in the Far East, are far more threatening than at any time since 1918 and no improvement is in sight," and said that the Navy must be "maintained at a strength which will prevent a serious challenge by any nation or nations to any of America's vital national policies, which will insure respect by foreign states and their people for our citizens abroad, and which will make an attack on any part of our territory too costly and too hazardous for any foreign nation or nations to attempt." He pointed out that we must not only protect our own shores, but that we have insular possessions in the Atlantic and the Pacific and that "the Philippine Islands are still United States territory."

This thirtieth lesson was continued on into February as the House Committee on Naval Affairs listened to the arguments of naval authorities and to critics and questioners. The naval authorities defended the request for \$800,000,000—more likely to be \$1,200,000,000—on the ground that our Navy must be adequate to defend both coasts and all Territorial possessions. Critics of the appropriation made vehement protestation. Maj. Gen. Johnson Hagood, World War veteran, who retired from the Army after he had criticized the W. P. A., urged a navy adequate for American defense but not for defense of other nations. "No one today," he said, "knows for what purpose the land and naval forces are to be used."

Charles A. Beard, the historian, told the House Naval Affairs Committee that "the fundamental problem presented to Congress by the President's new armament program is not merely one of voting more or less money for the Army and the Navy—it is essentially the problem of discovering and determining the foreign policy to be expressed by any appropriations, large or small." He quoted Admiral Rodgers, "All navies relate to national policies." Dr. Beard accused the administration of fomenting a war scare. "We are told," he said "that the Fascist goblins of Europe are about to take South America; that Mussolini will march in seven-league boots across the Atlantic, through the Straits of Gibraltar, to Brazil; or that Hitler or the Mikado will do it some other way. . . . This is the new racket created to herd the American people into President Roosevelt's quarantine camp. All that Congress need do to satisfy itself on this point is to call naval officers into a secret session, vote them a retiring allowance so that the Executive ax may not fall upon them, and ask them just how Hitler or Mussolini or the Mikado can perform this water-crossing miracle now with our present defenses."<sup>11</sup>

Within the committee skeptical questions were raised by Representatives BREWSTER and CHURCH. The substance of these questions was: Exactly whom must we be prepared to fight? Do we contemplate a war of defense of our own continental shores, or is the defense line somewhere else? Is there any understanding with Great Britain?

On the question of our defense it became gradually clear that there was a tacit assumption in naval circles that the old triangular line of defense, reaching from the Aleutian Islands to Hawaii and from there to the Panama Canal, had been extended to Samoa, and that the picking of Samoa had some connection with the protection of our interests in the Philippines.

On the question of an agreement with Great Britain, it was revealed that Captain Ingersoll, the naval chief of war plans, had recently spent some days in London. His visit was kept a great secret and was only accidentally revealed. Congressman BREWSTER, of Maine, and others demanded the meaning of that visit. Admiral Leahy refused to say what had transpired. He would, he said, explain only in executive session. Was there, then, some sort of arrangement with Great Britain? Secretary Hull promptly repudiated the notion. But on February 9 Arthur Krock, Washington correspondent of the New York Times, and generally credited with unusually close relations with the White House, the State Department—and with the British Embassy—wrote that American consultations with Great Britain and France looked toward parallel action "in the event of one of the only two wars the democracies can envisage at any time in the near future." "This correspondent," says Mr. Krock, "is expertly informed that, should it at any time serve the common interests of the two great democracies, their navies would automatically complement each other in the Pacific. He is more inclined to think the complementing would be the result of a very private and common-sense understanding among experts and political realists." But, of course, there is nothing formal about such an agreement. "This is the kind of understanding," continued Mr. Krock, "that is hardly more than a wink or a nod, the sort of thing not Mr. JOHNSON (Senator HIRAM JOHNSON of California) or anyone else can extract from men's inner minds by means of a resolution. This is what irritates them, and makes them anxious too. For these groups sincerely believe we should have a foreign and defense policy that is totally exclusive, even when it would serve our immediate interest to do otherwise, that our fleet should be no larger than sufficient to defend our coasts and possessions—not the Philippines—and that to exchange even a wink with Great Britain will surely involve us in a war. . . ."

The puzzled public had all this to mull over.

<sup>11</sup> Hearings before the House Committee on Naval Affairs.



Mr. Hull said that we had no agreement with Britain. Admiral Leahy said that he wouldn't tell anything except in executive session.

Mr. Krock spoke of "a nod" and "a wink."

The skepticism of the general public was voiced by Senator ROBERT M. LA FOLLETTE. "Millions of citizens," he insisted, "want to know what occasions this increase of naval armament and what foreign policy the Navy is intended to implement."

Lesson XXXI: February 5, 1938, three practically identical notes from the governments of Great Britain, the United States, and France were delivered to the Japanese Government. These notes demanded word by February 20 as to the naval plans of Japan. Did Japan plan to build battleships in excess of the 35,000-ton limitation set by the London Naval Conference agreement of 1936, to which, in fact, Japan was not a party? Notice was formally served that if satisfactory assurance were not forthcoming by February 20, the three governments would feel free to proceed to increase their navies as they saw fit.

February 12, 1938, the Japanese Government replied with a refusal to divulge her plans, reminded her interrogators of her previous argument that a sound agreement could be reached only upon the basis of the total tonnage of national navies, rather than on the types of ships to be built, and reaffirmed her willingness to discuss a new agreement upon that basis. Her spokesmen also indicated Japan's objection to the joint démarche, while expressing a willingness to give the desired information informally.

Washington interpreted the note as an extra incitement to fresh naval construction.

Lesson XXXII: February 8, 1938, the new industrial mobilization bill was introduced by Congressman MAY. This bill, written to meet the President's request of January 3 for legislation designed to take profit out of war, was the successor of the Sheppard-Hill bill of 1937. The May bill provides that in event of war the President shall be granted wide control of price levels, which automatically carries control of wage levels, the control of all industry, of the radio, and of "public services," virtual control of the press through the power to determine priority in shipments of paper and other essentials, the control of labor unions through proclaiming them "industrial organizations," and especially the control of all workers on railroads and other public carriers. The one thing which the bill failed to provide was machinery for taking the profit out of war. It provided that the Secretary of the Treasury should be empowered to suggest suitable measures of taxation to meet that end, but left the decision to a later day. The bill was promptly denounced by Congressman MAURY MAVERICK as "a blue print for fascism." Other critics unkindly compared it with a bill then before the Japanese Diet, with almost identical provisions, and against which Japanese legislators were waging a vocal fight.

Lesson XXXIII: February 12, 1938, Secretary Hull, in response to questions put by Congressman LUDLOW, gave assurance that the naval force contemplated is "needed for the national defense of the United States and its possessions." The Philippines are still an American possession.

Questioned by Mr. LUDLOW whether the proposed program contemplates "the use of any of the units in cooperation with any other nation in any part of the world," Mr. Hull answered in the negative, and pointed out that our Government carefully avoids "extreme internationalism with its political entanglements" and "extreme isolation, with its tendency to cause other nations to believe that this nation is more or less afraid." But Mr. Hull admitted "that while avoiding any alliances or entangling commitments, it is appropriate and advisable, when this and other countries have common interests and common objectives, for this Government to exchange information with governments of such other countries, to confer with those governments, and, where practicable, to proceed on parallel lines, but reserving always the fullest freedom of judgment and right of independence of action."

This statement provoked further widespread questions. It was much like the Norman Davis commitment of May 1933, by which the United States, in return for a measure of disarmament, in effect promised cooperation with the League of Nations in the application of sanctions. The Hull commitment is susceptible of any amount of "parallel action" in the Far East.

Exactly what was the connection between Captain Ingersoll's visit to London in January and the invitation for our cruisers to participate in the opening of the Singapore naval base in February? Did the captain discuss the plan for a joint British-American blockade of Japan?

What "possessions" does Mr. Hull propose to defend? Do they include the Philippines? If so, does Mr. Hull mean that we must have a navy competent to handle the Japanese in Philippine waters?

How far will Mr. Hull have us go to defend "our nationals and our interests abroad"? Are they to be protected in a war zone? Shall we police the Yangtze River, and how far?

How far would Mr. Hull lead us in assuring for the world "conditions of peace, order, and security"? Does lawlessness anywhere constitute invitation for our intervention? If Rumania persists in misbehavior, must we play the mentor? Or Brazil, or Palestine? (Or, it might be asked, would Mr. Hull favor sending gunboats to Jersey City?) If Mr. Hull seriously advises that we become nurse and tutor to the world, it would be well to discover exactly how much territory he would take in.

Lesson XXXIV: February 12, 1938, Rear Admiral Clark H. Woodward, commandant of the Third Naval District, urged the rushing

of our national-defense program for the defeat of "gangster dictators," to avoid becoming "the Ethiopia or China of the Western Hemisphere." He spoke of the "swaggering bandit legions" in Europe and Asia which menace our peace. He expressed his feelings regarding "the pernicious and poisonous preachings of antipreparedness zealots, internationalists, and Communists"—seemingly having forgotten Earl Browder's enthusiastic championship of the Roosevelt foreign policy. He then added the assurance that "diplomatic success depends more today on the caliber of the nation's guns than on the caliber of its diplomats."

Senator BORAH added his comment: "The statement of the admiral is highly unreasonable and highly improper. The admirals in their proper place are entitled to every consideration . . . but they do not make our national policies. It is not for them to seek to excite fears by putting out sheer ridiculous propaganda."

The footnote to this lesson is: Naval officers who make speeches on foreign policy without authorization are customarily either reprimanded or fired. The rear admiral still draws his pay, and there has been no reproof.

Lesson XXXV: February 14, 1938, the New York Times headlined the decision of the strategists of the General Staff and the Air Corps that American military airplanes, in the event of war, will not bomb civilians.

Lesson XXXVI: February 15, 1938, President Roosevelt, in his press conference, assured the country that it was important, in planning for naval construction, to remember the necessity of a fleet which could defend both coasts. He made clear that the ratio of United States fleets to those of other nations was not important. We might, he said, be faced with a war on both sides of the continent.<sup>12</sup>

Lesson XXXVII: February 19, 1938, Mr. Cordell Hull, speaking to the National Farm Institute at Des Moines, defended his reciprocal-trade treaties as instruments of prosperity and peace. "We cannot remain prosperous in a poverty-stricken world . . ." said the Secretary, "nor can we be certain to remain at peace in a world growing more disordered, with arbitrary force supplanting the rule of order under reason and law."

Lesson XXXVIII: February 20, 1938, the New York Herald Tribune headlined "Capital Hears of Japanese Mexican Deal," and said that the State Department was investigating reports "credited in high circles" that Japan is negotiating with Mexico for an iron-ore concession on the west coast of Mexico, including the right to "improve" the harbor of Mazatlan. The property under discussion belongs to the Bethlehem Steel Corporation, but fears are entertained lest Mexico, hard pressed for funds, might expropriate the land and transfer it to the Japanese Government. The story intimated that the State Department feared lest Japan build a submarine base on the west coast, effectually threatening our communications with the Panama Canal.

Lesson XXXIX: February 25, 1938, Ambassador Grew delivered to the Japanese Foreign Office a note serving notice that Japan will be held responsible for all injuries to Americans or their interests by Japanese armed forces in China. This note was sent as an answer to the Japanese request that Washington notify Tokyo of the location and the description of American interests in China, as a help to the Japanese forces in preventing attacks upon our nationals or their properties. The American note, according to the summary released by the State Department, assured Japan that "there rests upon American officials and other American nationals in China no obligation whatsoever to take precautionary measures requested . . . if American nationals or property are injured in consequence of the operations of Japanese armed forces, the United States Government will be compelled to attribute to the Government controlling the armed forces responsibility for the damage."

But the law is quite different. Japan is not liable to anyone for damage resulting from military operations. Speaking of the destruction by General Miles of an American-owned building in Cuba in 1898, a building burned because it might have contained fever germs, the Supreme Court rejected any suggestion of Government liability and said: "Such property could be regarded as enemy's property, liable to be seized . . . by the United States in the progress of the war then being prosecuted; indeed, subject under the laws of war to be destroyed whenever in the conduct of military operations its destruction was necessary for the safety of our troops or to weaken the power of the enemy."<sup>13</sup>

Despite Japan's undoubted knowledge of the legal error in the American note, she nevertheless found the note "perfectly satisfactory."

Lesson XL: February 25, 1938, President Roosevelt assured the country that he considered the battleship the most effective weapon of naval attack or defense, and made it clear that he discounted the effectiveness of airplane attack. When asked by a reporter whether he thought the battleship's effectiveness had been lessened by the development of the airplane, he suggested that his recommendation for the building of new battleships afforded sufficient answer. But the critics were not quieted. Congressman MAVERICK, a loyal supporter of Mr. Roosevelt, insisted that the administration was suppressing a secret report on the vulnerability of battleships to aerial attack. "Obviously," said MAVERICK, "the secret is one which is being kept from the American people. President Roosevelt wants a big fleet of whopping battleships, and anything which casts doubt on their usefulness is not

<sup>12</sup> New York Times, February 16, 1938.

<sup>13</sup> *Juragua Iron Co. v. United States*, 212 U. S. 297 (1909).



for the public to know." The exchange of opinion reminded bystanders of the persistent charge that, inasmuch as the entire Army and Navy personnel is directly responsible to the President, it is impossible for Congress or the public to discover exactly what Army and Navy experts really think about any program to which the administration is committed.

Lesson XLII: February 27, 1938, the press gave wide play to the story of the discovery of a spy ring operating within the United States Army. Three alleged spies—a German girl and two soldiers—had been caught by the redoubtable J. Edgar Hoover and his Federal Bureau of Investigation. The incident was given large publicity, as is Mr. Hoover's habit. The spies, judged by the content of the releases, seem to have been blundering subordinates. The newspapers which carried that spy story also reported Assistant Secretary of the Navy Charles Edison's testimony in support of the naval bill, in which he revealed that the Navy did not have adequate information on the naval plans of Japan, and explained that the Naval Intelligence Service had "to work with insufficient funds." A few readers of this last item rubbed their eyes and wondered whether the United States also has its spies.

Lesson XLIII: February 28, 1938, the New York World-Telegram carried a headline "U. S. Prepared to Mobilize Million Troops," revealing that plans had been completed by the War Department to place 1,230,000 well-equipped troops in the field within 4 months after outbreak of war, also to mobilize 10,000 industrial plants capable of instant conversion for manufacture of war materials.

Lesson XLIII: March 5, 1938, President Roosevelt entered a formal claim to the tiny rock-pile islands of Canton and Enderbury in the Central Pacific. It seemed that American whalers and traders had visited these islands years ago, and that while no settlements had been made, we had prior rights. It also appeared that the islands had been claimed by Great Britain, but Secretary Hull assured the press on March 8 that the United States and Great Britain understand each other perfectly on the subject. This statement of the Secretary set at rest any fears lest American seizure of the islands would involve us with England. In fact, it prompted some captious critics to suggest that perhaps England welcomed our further involvement in the Pacific. Some news-writers, notably the reporter for the New York Times, came away from the press conferences with the impression that the seizure of these two islets was but the beginning of a new expansionist policy, reminiscent of the adventurous days of Theodore Roosevelt.

Lesson XLIV: March 7, 1938, a press dispatch from London quoted the remarks of Winston Churchill, former Cabinet member, made during a debate in the House of Commons. "Excellent arrangements," he said, have been made with the United States, and because of these "arrangements" and the fact that the United States Navy is not "being allowed to fall behind" British expansion, Great Britain is "entitled to measure our naval power against the power" of European countries, and Great Britain is "therefore in a far stronger position at sea relative to any navy in Europe today or to any likely combination of navies in Europe than we were with the larger fleets we had in 1914."

Lesson XLV: March 12, 1938, the Navy Department revealed that the Navy's annual war game, in which more than 150 men-of-war, about 500 planes, more than 60,000 officers and men, numerous merchant vessels and commercial airliners will disport themselves over an area of some 12,000,000 square miles in the Pacific, will be marked by greater secrecy than ever before. This great "game," officially described as Fleet Problem XIX, will involve maneuvers from naval bases and shore stations from San Diego to Puget Sound and from Alaska to Samoa. No newspaper correspondents or photographers will be permitted to accompany the fleet.

#### EXHIBIT A

[From the Magazine Asia for July 1923]

SHALL WE TRUST JAPAN?

(By Franklin D. Roosevelt)

(That an Assistant Secretary of the Navy, one of whose chief duties during a large part of his term of office was to prepare to fight Japan, can now write as Mr. Roosevelt does in this plea for a pacific attitude on the part of the United States toward Japan, must bring a new conviction of the possibilities for a permanent and increasingly strong bond of friendship. Mr. Roosevelt was Assistant Secretary not only before and during the World War, but also after the armistice. It was then that the policy of building the greatest navy in the world—to be prepared for the immediate contingency of a possible war with Japan, while the Anglo-Japanese Alliance was still in effect—was being rapidly put into operation. Treaties, ententes, friendship societies have their place in an expression of good feeling between nations; but, when the naval men of one land sincerely recognize a spirit of honest good will in the naval men of another, there is usually reality behind it.—Editor's note.)

Why do so many Americans, after witnessing the devastation and the futility of war, continue to think of Japan and the Japanese in terms of war? Why have so many Japanese a similar mental attitude toward the United States? Is this mutually apprehensive habit of mind, to whatever understandable origins it may be due, justified today?

It must be noted that, up to 1898, relations between the United States and Japan had been largely sentimental. We justly believed that we had been instrumental in awakening Japan to western civilization. Japan seemed to be appropriately grateful for the more abundant life thus opened to a formerly hermit

nation. The awakened Japanese Government sent its picked sons to us for education in the new methods. Among others the future Admiral Uriu, who last summer in Japan entertained his Annapolis classmates and Secretary Denby, came to the United States Naval Academy. Commercially the two nations were not yet rivals, there were no military points of contact and the Japanese had not yet migrated to California in any large numbers.

There has been, however, an apprehensive habit of mind in both countries for many years. When for the first time, in 1898, the American flag adventured territorially overseas, "imperialism" became a brand-new topic with news value on both sides of the Pacific. Discussion as to the defenses of the new insular possessions of the United States began immediately thereafter in military and naval circles and spread thence to the newspapers, which gave to the whole subject an exaggerated importance. Anti-imperialists used the threat of taken-for-granted Japanese aggression to bolster up their otherwise academic arguments. So, too, the Japanese, finding a new and pushing western power in their southern back yard, used the new American developments following the Spanish-American War, with the presumably changing foreign policy contingent thereupon, as a sufficiently obvious argument for popularizing naval expansion.

During the next decade both nations expanded enormously in naval armament and the Pacific commerce. In 1904-5 Japan defeated Russia and by the Peace of Portsmouth overflowed with military rule, colonization, railway development, and manufactured goods into Korea and Manchuria. And, to make the situation more delicate, our own Pacific coast, adding political irritation to commercial jealousy and growing suspicion, developed a "Japanese peril."

What more natural than that the two nations should begin to consider the possibilities of war? Outside the executive departments at Washington it has never been known in this country that, during 10 nervous days in the early summer of 1908, the United States hovered on the edge of an ultimatum from Japan. Yet long before the events of 1914 centered attention elsewhere, an American-Japanese war was the best bet of the prophets. Its imminence began to be taken for granted. Responsible journalists, not only in America but in Europe as well, alluded to it as merely a question of time. Today, in 1923, although the much anticipated war is not even seriously considered, many people in both nations cling to the old habit of mind.

But has not the time come to change our hypothesis? The feeling of the past was largely a natural result of new alignments and new problems. In international affairs novelties are apt to arouse suspicion. We have not forgotten the apprehension awakened in England and in Australia by Japanese naval operations in the Pacific archipelagoes in 1914-15. More recent experience presents the vivid example of the general consternation caused all over Europe and, to a lesser degree, in this country, by the phoenix-like rise of the Turkish nationalists under Kemal and the consequent changes in the political map of the Levant. As for the mutual distrust that has undoubtedly been characteristic of Japan and the United States during recent years, I am firmly convinced that it was the perfectly logical outcome, not of any one cause, but of a series of almost inevitable causes based on new conditions, which were practically forced on both governments. The question, therefore, resolves itself into this, Have these causes been, or can they be, sufficiently removed so that a new point of view may be substituted for the old? Can the two nations henceforward base their thoughts of each other on the assumption of peace?

The first answer that occurs—and perhaps the most pertinent—is that the race for naval supremacy has been at least temporarily checked by the Washington Conference in 1921. The lifting of the burden of stupendous naval programs was financially important, especially to Japan, and the suspension of competition in the principal types of warships has already done something to allay war talk.

To my mind, however, there is another phase of the Washington Conference which, though generally overlooked, has a curiously important bearing upon the future relations of the two major Pacific powers. I refer to what may best be called the naval strategic deadlock which has been created. After 1898 every high officer in the Army and Navy of both Japan and the United States, together with many selected junior officers, had spent days and weeks and months in studying what, aside from the question of German imperialistic designs in the Western Hemisphere, was in this country the cardinal war problem. From my own knowledge, for instance, it may be stated that the General Board of the Navy and the General Staff of the Army of the United States, together with the Joint Board representing both services, used to study with the utmost care the problem of the defenses of the Philippines.

And it may now be said, in reviewing these conferences, that the distance of the islands from our continental shores and the lack of adequate bases on the Pacific coast, in Hawaii, Guam, and the Philippines themselves led many officers of both services to admit that in the event of war with Japan the Philippines could not be held. This, remember, was 10 years ago, before the extraordinary development of the submarine and of aircraft. The Japanese fleet, to be sure, was at that time numerically far inferior to our own—less than half its paper strength—but military and naval men knew the almost insurmountable difficulties of maintaining a preponderant American fleet in Asiatic waters. The line of communication was too dangerously long. On the purely military side our Army experts found an almost hopeless situation. Though the



defenses of Corregidor Island in Manila Bay might prevent a repetition of Dewey's exploit of 1898, what could a handful of American troops be expected to accomplish if an invading Japanese army were once landed at almost any other of innumerable practical locations on the coast of Luzon? Nevertheless, just so long as the race of naval armaments continued, our responsible officers of the higher commands continued vigorously to make the best plans possible for the defense of American possessions in the Far East. And these plans, with the jeopardy they implied, were evidences of the need for the appropriations asked in the annual bills presented to Congress.

These labors have been, if not terminated, at least materially changed by the Washington Conference of 1921. A reorientation, so to speak, of naval matters began with the ratification of the naval treaty by the three ranking naval powers. For the next 10 years the American Navy is to roughly as five is to three of the Japanese Navy. Furthermore, the United States has agreed not to add any fortifications in the Philippines or in Guam. To say "add" is perhaps a euphemism; for no fortifications now existing there can be, in the light of the last war, seriously considered.

During these earlier years, I remember, the wiser officers and statesmen on this side of the water were convinced that a war between the United States and Japan would have been likely to result in a military deadlock. For the United States to have held the Philippines would have been, as I have indicated, a scarcely achievable task; for the Japanese to have invaded—or rather to have maintained any invasion—on our Pacific Coast would have been an impossible task. If, with a fleet double the size of Japan's and our vastly greater resources, invasion of the western shores of the Pacific was admitted to be probably impossible, certainly impracticable, for us, how much more formidable was the corresponding problem presented to the military strategists of Japan! It must not be forgotten, moreover—the point will bear the emphasis of repetition—that this impasse was reached before the days of effective submarines and aircraft, and that even at that time, when offensive operations over long sea distances were less difficult than now, war would, in all probability, have been decided on economic issues. And in these the United States had, and has, a vast superiority.

Nevertheless, public opinion was not then educated to such a point of view and, frankly, no considerable portion of it in the United States yet grasps, I am inclined to think, the essential facts of the military situation. Many of us have not forgotten the real scares during the great war over the possibility of Japanese-German secret bases in Mexico and even in Alaskan waters. If it is probably true that prior to 1921 a strategical naval and military deadlock existed, it is certainly true that neither Japan nor the United States recognized the fact.

As long as 10 years ago naval experts said that a fleet crossing a wide ocean from its home base must of necessity lose from a quarter to a third of its fighting value. If that judgment was true 10 years ago, then the principle is even more true today; for the addition of two new dimensions, under water and in the air, to the fighting area has made the protection of the capital ship—superdreadnought or battle cruiser, the fundamental fighting unit—a much harder task than it was then. If our naval experts a decade ago doubted whether we could hold the Philippines with a fleet more than twice as powerful as that of Japan, what would they say today, when we have a fleet rated as only five to three with that of Japan—in actual efficiency of matériel and number of personnel the ratio is actually now lower than that agreed upon—and the new instruments of warfare capable of intensive use over a short radius, undeveloped 10 years ago, have now been enormously multiplied? And, on the other hand, even if Japan in 1914 had any false notion that she could threaten us either through Mexico or by direct invasion of the Pacific coast, it is safe to say that her strategists have now tacitly abandoned such ideas.

Nobody, presumably, after all the prophets of 1914 have been proved without honor in any country, would attempt to say what would happen at the end of a military deadlock between Japan and the United States. After the first year or two of hostilities economic causes would become the determining factor. Tableau: Japan and the United States, four or five thousand miles apart, making faces at one another across a "no man's water" as abroad as the Pacific. Some genius might then arise to ask what it was all about and what the use was of the atrophy of national life and development. Or, to take a pessimistic view, jingo counsels might prevail in both nations until one or the other or both had bled to death through the pocketbook. If, then, it were realized by the people of this country and of Japan that a war would be a futile gesture, attended by no sufficiently compensating results, each nation might be in a fair way to change its apprehensive habit of mind.

Nearly a year and a half ago the Washington Conference terminated its work and signed the naval agreement. Great Britain, Japan, and the United States—the three participants chiefly affected by it—promptly ratified it. Since neither of the two non-ratifying powers, France and Italy, entered seriously into the naval situation, there was consequently a gentlemen's agreement or understanding effected impliedly on the part of Great Britain, Japan, and the United States whereby the terms of the formal naval treaty should be carried out with the same force as if all five signatory powers had promptly ratified. Great Britain has faithfully lived up to her part of the agreement, a recent attempt to show bad faith, in the matter of alterations to capital ships

such as to permit an increased elevation and consequent greater range of turret guns, having been proved (March 22) entirely without grounds. Japan, contrary to her tactics on certain past occasions, has lived up not only to the letter but to the spirit of the treaty. Premier Hara, in sending his delegation to the Washington Conference, emphasized the chance thus afforded his nation and Government to become established on a new basis of faith. Under the leadership of Premier Kato, the Government has seized this opportunity. It has indeed been at pains to show the highest form of bona fides in connection with the engagements entered into at Washington, even though each and every one of the terms to which the Japanese delegates subscribed involved some national sacrifice, of prestige, of political ambition, of dignity.

With regard to the scrapping of capital ships, the peculiar situation in which Japan's chief delegate and present premier found himself has escaped due appreciation. Kato, Admiral Kato, it must be remembered, is the creator of the Japanese Navy. When, therefore, as a member of the Big Three of sea power, he was called upon to vote for drastic naval disarmament, and later on, obliged as premier to carry out to the letter his national undertaking, he was performing a renunciatory act far more searching than the colder statesmanship of Mr. Hughes or Mr. Balfour. Kato and his colleagues, at the instance of a rival naval power, that power whose naval rivalry was most immediately threatening to Japan, were called upon to destroy what he himself had patiently created and built up during 16 years of serious political and financial difficulties.

Kato proved himself capable of that great gesture and, what is more important, capable also of the less dramatic performance. The scrapping of naval vessels condemned by the treaty has gone forward faster in Japan than in this country. The historic naval base at Port Arthur, endeared to the Japanese by every consideration of national sentiment, has been abandoned, and the larger one on the Japanese mainland at Maizuru has also been dismantled. It may be contended that neither of these stations has great strategical value, but this is an open question. In any event, the Japanese have carried out their pledge.

On July 2, 1922, the Japanese withdrew their garrison of 500 men from Hankow on the Yangtze and on October 26 of last year evacuated Siberia, according to their treaty engagements, with the last of a division which approximated 12,000 men. About a month later, on or about November 22, they gave up their radio station on Russian Island, Siberia. Later, on January 1, to be exact, they gave up all their post-offices in China with the exception of those retained along the line of their South Manchuria Railway. This was precisely according to agreement.

It may be remembered that the Chinese delegates at Versailles refused to sign the peace document because of the reservation to Japan therein of the German rights and claims to the sacred Province of Shantung. Japan's signature to the peace was contingent upon that reservation. Shantung was expressly the sine qua non of Japanese adherence to the Peace of Versailles. Shantung was the gist of the 21 demands. And yet on September 14, 1922, Japan withdrew from Shantung, handing over everything to the Chinese, in accordance with her Washington pledges, amid the astonished contemplation of the journalists of the world and of the dumfounded Chinese themselves. Joint administration of the railroad was continued as agreed upon. In this latter case of very material sacrifice the irreconcilables point out that Japan in reality gained in the long run more than she lost in Shantung. A Chinese boycott had crippled her trade in this, one of the richest provinces in the Republic, these critics explain, and Japanese policies and ambitions in Shantung were rapidly stirring up a national resentment throughout China. However that may be, the fact remains that the Kato administration has carried out to the letter in Shantung what Admiral Kato signed to do at Washington.

These, then, are the facts. It seems a pity that our own Government has failed to enlighten the ignorance of the Nation on matters of such vital importance. I do not hesitate to say that such thousands of American citizens as give these interests any thought at all are at this moment wondering whether Japan has been, or is, carrying out her vast naval building program as announced after the war. What a difference in popular sentiment might have occurred, and might still occur, if the true facts had been promptly and widely made known to the public. If our Government would spend half the energy in disseminating this healing kind of information that it wastes in creating misapprehensions about its own policy, the whole country would benefit thereby materially and morally. Once upon a time, not so many years ago, the Government of the United States was a professed believer in open diplomacy. I am told that those times have changed. I begin to believe that they have changed when I realize that one of the most magnificent opportunities any government ever had has been allowed to slip during the past year.

Possibly the delay in the scrapping of United States ships as provided for and pledged in accordance with the treaty may lie at the bottom of the minimized success of the Washington conference. Japan's determined course as undertaken by her principal representative at the conference, Admiral Kato, won for his Government a new and wider respect abroad. Japan's subsequent course at home, under the leadership of the same Baron Kato as premier, has been an exhibition not only of good faith but



of a national desire to prove to the world that suspicions of the past are no longer justified.

Now, with regard also to the very important question of Japanese and American interests in China, the situation is somewhat improved. The idea of the partition of China, which hung like a cloud on the horizon of two generations of Japanese growth, I regard as having been dissipated, if not forever, then for our own times, by the great war. During these same generations and longer, the United States, innocent of territorial ambitions, has been the proverbial friend of China, and American sympathies have been pro-Chinese rather than pro-Japanese. Perhaps, however, we are appreciating now a little more readily than formerly the Japanese point of view. Although today the open door, brought into general recognition and pledged at the Washington conference of 1921, is, with the Monroe Doctrine, the only definitely expressed foreign policy of the United States, we can now recognize that there is a real necessity to Japan of the markets and the raw products of that part of the Chinese mainland contiguous to her island shores. Here, then, is another valid reason, a generous and a sensible reason, for altering or abandoning the old-fashioned habit of mind.

On the final point and the most delicate, the question of Japanese immigration and property owning in the United States, it is difficult to write without arousing unreasoning passions on one side or on both. So far as Americans are concerned, it must be admitted that, as a whole, they honestly believe—and in this belief they are at one with the people of Australasia and Canada—that the mingling of white with Oriental blood on an extensive scale is harmful to our future citizenship. This belief extends to and affects not only the Japanese, as a race, but other oriental peoples of acknowledged dignity and integrity, such as the Chinese, the natives of the Philippines and the Hindus of India. As a corollary of this conviction, Americans object to the holding of large amounts of real property, of land, by aliens or by those descended from mixed marriages. Frankly, they do not want nonassimilable immigrants as citizens, nor do they desire any extensive proprietorship of land without citizenship.

But the reverse of the position thus taken holds equally true. In other words, I do not believe that the American people now or in the future will insist upon the right or privilege of entry into an oriental country to such an extent as to threaten racial purity or to jeopardize the land-owning prerogatives of citizenship. I think I may sincerely claim for American public opinion in this respect an honest adherence to the Golden Rule. Surely the people of the east will come to realize that we ask of them on their side of the great water no more favorable rule, we expect no lighter restrictions than we demand in regard to our native land. Whether this tendency, this reciprocity of thought and policy, shall be expressed in the future through "gentlemen's agreements" or by treaties, it seems to me evident that the atmosphere is slowly clearing and that in this respect also we shall have cause to eliminate another threat to international comity.

Are there any remaining causes of probable offense which might justify a continuance of the old attitude? Yes; one other must be taken into consideration—commercial rivalry in the Pacific. A certain school of international thought has exalted this as the basic cause of all armed conflicts between nations. With this school I most profoundly disagree. Some wars, undeniably, have in large measure been the result of commercial competition. But others have been based upon racial antipathy, and still others on pure military aggrandizement, on religious bigotry or on internal revolution. No general rule that will stand analysis can be applied. During the past 110 years, for instance, the United States has been in many respects Great Britain's most serious commercial competitor. Yet these rival nations look back on a record of unbroken peace during all that time.

In the case of Japan it is true that we shall continue to overlap and perhaps to clash in the development of the commerce of the Pacific, but when one considers the potential trade of the vast territories and huge populations bordering the North and South Pacific Oceans there would seem to be enough commercial room and to spare for both Japan and us well into the indefinite future. If it is proved that within one great nation cooperation rather than cutthroat competition best fosters an honorable and mutually beneficial trade, why is not the same formula true as between two nations operating in the same broad area? Europe is providing abundant and impressive examples of the contrary. More specifically, reciprocal markets between Japan and the United States appeal to business communities on both sides of the Pacific. Our trade with Japan alone last year was larger than that with all the rest of the oriental field combined. Furthermore, in the great staples of American export, in oil and cotton and tobacco, Japan is not now and will not conceivably become a serious competitor. In manufactured goods, especially the cheaper varieties, Japan, with preferential rates, a subsidized merchant marine, and the shorter haul over Government-owned lines, has an undoubted advantage on the contiguous mainland of China. But the higher grades of American manufactures continue to hold their own in markets where the Chinese buy for value. Stiff competition in the foreign field will benefit our inflated standards of profit and bring about a more careful study of foreign markets as well as a more elastic adaptation to them.

Finally, I believe that we may assume the principal causes of friction in the past either to have been removed or to be on the road to eventual elimination. That status alone, however, is not sufficient. Things cannot remain merely negative. If we eliminate

the habit of mind of the past, something else—some other habit of mind—must take its place. Therein lies a magnificent opportunity. The United States and Japan came through the World War in better physical and economic condition than any others of the great powers. Their loss in manpower was relatively very small. Their gain in potential world markets and in home resources was correspondingly great. Their national debts, though materially increased, were in part taken care of by their growth in national wealth. In both countries currency and national credit have remained sound. Both nations are solvent. Most of the rest of the civilized world has been hard hit. Whole populations have been thrown out of gear. Today the school of those who believe that the solvent nations, those who are in a position to help restore the world, must play their magnanimous part, is almost daily receiving accessions of strength. Whether it be from a purely selfish desire for additional prosperity, or whether it rise from the deep belief that we owe a little something to mankind as a whole, the demand for the quieting of the troubled waters is heard on every side.

Shall the United States enter upon this great task for mankind? If we say "Yes," we must ask further, "Shall we undertake this mission alone? Is it too big for us? Can anyone else help?" It is a task of the first magnitude, of such magnitude that ordinary political gentry stand back appalled. If we accept their ostrich point of view, we shall never begin, we shall never highly dare. We shall miss our great opportunity. But it would seem to be a matter of common sense that if we once do devote ourselves to this work, we should call in all the assistance available. It is a world undertaking. South America ought to help and, in the light of the Pan American Congress at Santiago, will help; the British colonies should lend a hand. And why, in all reason, should not Japan, shoulder to shoulder with us, provide her aid as well? If, instead of looking for causes of offense, we in all good faith confidently expect from Japan cooperation in world upbuilding, we shall go far toward insuring peace.

Mr. HOLT. Mr. President, will the Senator yield?

Mr. NYE. I yield.

Mr. HOLT. Is it not true that many men in America today want us to go into this armament race in order that we may have so-called prosperity, similar to that preceding the late World War?

Mr. NYE. It has frequently been contended, Mr. President, that the big-navy program would play a large part in restoring prosperity and providing employment. It is the old story. Much of that kind of feeling exists, just as much feeling exists that perhaps the way to get out of the present depression is to have another little war. I am sorry to admit that such a feeling is much more general than I should like to see it.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. NYE. I yield.

Mr. VANDENBERG. Did the Senator notice that the President yesterday sent to the Congress a supplemental naval estimate from the Bureau of the Budget?

Mr. NYE. I am aware of it, but not at all conversant with it.

Mr. VANDENBERG. I have seen a summary of the proposal, which adds another \$25,000,000 to the naval "kitty." I am interested in noting that the purpose of the request is, among other things, to begin construction of two of the 35,000-ton battleships which were authorized under the Vinson-Trammell Act.

I submit to the Senator that that is a beautiful demonstration of the very chaos which exists in our naval prospectus. On the one hand, in one House of Congress the President is asking for funds to start two additional 35,000-ton ships, whereas in the other branch of Congress it is proposed that he shall be authorized to start building 45,000-ton ships. If he pursues the course indicated in the Senate, he will render completely obsolete the action proposed to be taken in the House, because, of course, a 35,000-ton ship is immediately obsolete when the tempo is stepped up to 45,000 tons.

Mr. NYE. The Senator makes the situation so clear and so plain that no one can misunderstand it. I do not believe anyone can be guilty of overguessing when he says that if the pending bill is enacted into law, following the consent of the Senate, on next Monday or Tuesday, or whenever the vote may be taken, we shall find more and more supplemental naval bills coming along. There will be no end to it.

Mr. President, I wish with all my heart that the Senate might stand up in this emergency in a way which would be a tremendous demonstration to all the powers that be that

we will not permit ourselves to be pulled into this fool, insane international armament race; that we intend to adhere to our determination to stay at home and mind our own business; that at least we do not propose to countenance an invitation to participate in another foreign war until we can have a little assurance that another time, in addition to winning the war, we shall win some of the things which we alleged were responsible for our entry into the last war.

Mr. POPE. Mr. President, will the Senator yield?

Mr. NYE. I am ready to yield the floor.

Mr. POPE. I wish to ask the Senator a question growing out of the statement made by the Senator from Michigan. Did the President send any message to the Senate or to the Congress asking for 45,000-ton battleships? I understand that provision to be an amendment by a committee of the Senate.

Mr. VANDENBERG. I said that the President yesterday sent to the House a supplemental Budget message asking for funds to start two of the 35,000-ton battleships which were authorized under the Vinson-Trammell Act.

Mr. POPE. Has the President ever sent to Congress a message asking for any 45,000-ton battleships?

Mr. VANDENBERG. I know of no such message, except that such a request is implied in the Senate bill, which I assume has Executive approval.

Mr. POPE. That is exactly the point. I should like to ask the Senator from Massachusetts if the President has sent to Congress such a message.

Mr. WALSH. The President personally has not done so; but the President, through the Navy Department, has requested that he be given discretionary power to determine whether the Navy should build 45,000-ton ships or 35,000-ton ships. The reason for the President's position is that the signatories to the London Treaty of 1936, namely, Great Britain, France, and the United States, agreed to limit the building of capital ships to 35,000 tons, and agreed that if some power which was not a party to the treaty should build capital ships of larger tonnage, the signatories to the treaty would confer and determine whether or not the limitation of 35,000 tons displacement for capital ships should be removed.

The reason for conferring on this subject was because of the position Japan was alleged to have taken, namely, that she was undertaking the building of 45,000-ton capital ships. Of course, it would be gross neglect of the obligation which each of these three Governments owe their people, if they failed to consider what, if any, action was necessary. Neither one nor all of them could remain aside and permit other nations to build more powerful battleships without at least informing their people or taking steps to remove the barriers that they voluntarily imposed upon themselves and which were not applicable to other nations. The result was that the three nations, Great Britain, France, and ourselves, at the same time, namely, early in February of this year, sent diplomatic letters to Japan making inquiries on this subject. I quote from the letter sent me by the Secretary of State, Mr. Hull, so as to make my statement accurate:

As the Japanese Government will be aware, the naval treaty gives the American Government a right of escalation in the event of building not in conformity with treaty limits by a power not a party thereto. There have for some time been persistent and cumulative reports, which, in the absence of explicit assurances from the Japanese Government that they are ill founded, must be deemed to be authentic, that Japan has undertaken or intends to undertake construction of capital ships and cruisers not in conformity with the above-mentioned limits. The American Government has therefore decided that it will be necessary for it to exercise its right of escalation unless the Japanese Government can furnish the aforesaid assurances and can satisfy the American Government that it will not, prior to January 1, 1943, lay down, complete, or acquire any vessel which does not conform to the limits in question, without previously informing the American Government of its intention to do so and of tonnage and caliber of the largest gun of the vessel or vessels concerned.

The British and French Ambassadors at Tokyo transmitted similar notes from their Governments on the same day.

What is Japan's answer to these three communications from the powers that limited themselves to a definite size in battleships? I quote from the Japanese reply:

The Japanese Government are of the opinion that the mere communication of information concerning the construction of vessels will, in the absence of quantitative limitation, not contribute to any fair and equitable measure of disarmament and regret that they are unable to comply with the desire of your Government on this point.

Following this reply from Japan the three naval powers to the London Treaty, including ourselves, reached the following decision. I quote again from the Secretary of State, Mr. Hull's, letter.

As a consequence of the Japanese note, there was no alternative but to invoke the escalator clause of the London Naval Treaty, article 25, in order to depart from the limits and restrictions on the size and armament of capital ships. The other governments parties to the treaty came to the same conclusion, and, on April 1, notes announcing the intention of the parties to the London Treaty to depart from the limits of the treaty were exchanged.

The next step for these three powers, after receiving Japan's reply, was to enter into consultation. This information states, and I again quote:

Consultation with the other parties to the treaty has begun, and this Government has taken the position that in view of the uncertainty which exists with regard to construction in the capital ship class by a nontreaty power it will not be possible at this time to fix new limits on the size and armament of capital ships.

This means that our own country, Great Britain, and France may now build capital ships of the size and type that will insure their safety and security, and as is required regarding the action of a nontreaty power.

Now, what is the situation insofar as the United States is concerned?

To limit this authorization to 35,000-ton capital ships amounts to a self-imposed restriction on the size of our capital ships, while the rest of the world, both signatory and nonsignatory powers are free to build ships larger than 35,000 tons displacement.

Mr. VANDENBERG. May I ask the Senator a question?

Mr. WALSH. Certainly.

Mr. VANDENBERG. In fact, I should like to ask the Senator two or three questions, now that he has covered the range. First, is it not a fact that in the Japanese response, the very unsatisfactory Japanese response which declined to give us the information we sought, Japan indicated hospitality to further discussions upon the subject of what the limitation should be?

Mr. WALSH. Frankly I must say to the Senator I did not infer that from the Japanese letter. Japan did say that in the absence of quantitative limitations with the other powers she was unwilling to give any information as to what she was doing with respect to the size of capital ships she was building. I think the Senator and I agree as to that.

Mr. VANDENBERG. Yes.

Mr. WALSH. Japan also said, which I think was to her credit, that she sought in the conference of 1936 to have a limitation put upon capital ships and upon aircraft carriers, but that evidently the conferees representing the other powers who conferred with her were not in accord or agreement with that suggestion on her part unless a further limitation was also placed upon submarines. Is that correct?

Mr. VANDENBERG. I think that is substantially the situation.

Mr. WALSH. I did not understand that Japan left the door open for any further conference or any further discussion.

The replies of Japan were such that all three powers reached the conclusion that they should not be bound by a limitation that did not bind other nations. They are bound to a 35,000-ton limitation in the case of battleships, but there is a proviso in the treaty that if some other nation, not a signatory to the treaty, should build a larger battleship then the three powers would confer together and decide as to changes to be made in the limitation.



Secretary Hull in his letter to me as chairman of the committee, says that, in view of Japan's reply, the adoption of the amendment of the Senator from Michigan would be an attempt upon the part of the Congress of the United States to restrict the right of the United States Government to have as powerful capital ships as some other nation. That was one of the objections made to the amendment of the Senator from Michigan.

Mr. VANDENBERG. May I ask the Senator a further question?

Mr. WALSH. I am glad to yield to the Senator from Michigan.

Mr. VANDENBERG. As I understand the Senator, the proposal that we should proceed to the construction of 45,000-ton battleships is based primarily upon the fact that an unofficial, unconfirmed report has suggested that Japan is proposing to proceed into the 45,000-ton category. Is that correct?

Mr. WALSH. I think the Senator is in part correct. The Secretary of State, in his official note to Japan, says:

There have, for some time, been persistent and cumulative reports, which, in the absence of assurance from the Japanese Government that they are ill-founded, must be deemed to be authentic, that Japan has undertaken or intends to undertake construction of capital ships and cruisers not in conformity with treaty limits.

Mr. VANDENBERG. That is the basis of our proposed action. Would the Senator attach no importance whatever to a statement made by the Japanese Minister of the Navy as recently as April 8, in which he says:

Japan is neither building nor intending to build bigger ships at present.

Mr. WALSH. That is the first time I ever heard that statement. The Secretary of State in his letter to me a few days ago does not mention it. I repeat, the Japanese reply to the letter of Secretary of State Hull, which I now have before me, is as follows:

The Japanese Government are of the opinion that the mere communication of information concerning the construction of vessels will, in the absence of quantitative limitation, not contribute to any fair and equitable measure of disarmament, and regret that they are unable to comply with the desire of your Government on this point.

That is a frank and straight refusal.

The PRESIDING OFFICER. The Chair desires it understood that the Senator from Minnesota [Mr. LUNDEEN] was recognized and has the floor.

Mr. VANDENBERG. Mr. President, will the Senator from Minnesota permit me to continue one or two questions? I am seeking information.

Mr. LUNDEEN. Certainly.

Mr. VANDENBERG. Will the Senator from Massachusetts say that, in his judgment, the response from Japan closed the door finally and conclusively to a reconsideration and rediscussion of an agreement upon new limits to stop this super-battleship race?

Mr. WALSH. I do not think so.

Mr. VANDENBERG. I do not think so, either. Of course that is the basis of my entire position.

Now, I should like to ask the Senator something else.

Mr. WALSH. I was going to suggest, if the Senator will permit me to do so, a substitute for his amendment. I am sorry I did not have a chance to do so before, but I did not think the matter would come up at this moment. I suggest this proviso:

That no vessel authorized by this subsection of a tonnage in excess of 35,000 tons shall be laid down until the President of the United States has determined to his satisfaction that a capital ship of a tonnage in excess of 35,000 tons has been projected, appropriated for, or laid down by another power.

Mr. VANDENBERG. I shall be glad to consider that text.

Mr. WALSH. I wish the Senator would do so, because, personally, I know the Navy has no desire to build battleships in excess of 35,000 tons displacement unless some other nation does so. I want to emphasize that, because I think that is a fair and a proper presentation of the Navy's

attitude. They do not want to go into such building but desire to be in a position to do so if any other nation should build such a ship; and, apparently, from what I read and from what I learn, Great Britain, France, and our own country, because of information which has come to them, feel that they have tied their hands and have limited themselves to battleships of 35,000 tons displacement and that some power outside of the treaty is building vessels of a greater tonnage than that.

Mr. VANDENBERG. May I ask the Senator for his construction of that clause of the treaty of 1936 which defines the process under which the escape clause may be invoked. As I read the escape clause we are not free to proceed until 90 days after we have given notice of the desire unless there has been an interim agreement to the contrary. There has been no such agreement to the contrary, and I am curious to know how the Senator justifies action by the Congress prior to the expiration of 90 days in defiance of the original agreement.

Mr. WALSH. I may answer the Senator perhaps somewhat indirectly. Under the treaty of 1936, as the Senator has properly stated, under the escalator clause any one of the three signatories to the treaty having information that some other nation that is not a signatory is building naval craft outside the limitation may call a conference and give notice that because a nation that is not a signatory to the treaty is building outside the limit that it proposes to do so, acting under the treaty.

Great Britain, France, and the United States, early in February, independently but evidently by concerted action communicated with Japan, as the Senator knows. They have now received the reply of Japan. The next step is under article 25 of the naval treaty, which is as follows:

SEC. 3. The high contracting parties shall thereupon consult together and endeavor to reach an agreement with a view to reducing to a minimum the extent of the departures which may be made.

The Senator, of course, is familiar with that. Secretary Hull says:

Consultation with the other parties to the treaty has begun, and this Government has taken the position that in view of the uncertainty which exists with regard to construction in the capital-ship class by a nontreaty power it will not be possible at this time to fix new limits on the size and armament of capital ships.

Mr. VANDENBERG. That does not bear upon the point in regard to which I am asking the Senator—our right to proceed within less than 3 months.

Mr. WALSH. I wish to say to the Senator that so far as I am informed the result of that conference is not now known, but negotiations are now under way with these three powers. The United States Government, however, does not desire to have its hands tied by congressional act. In the event the three powers decide that we should increase the maximum tonnage of capital ships from 35,000 tons to 45,000 tons, it does not want to have its right to build a capital ship of larger size impaired, restricted, or denied by congressional action. I am sure the treaty will be strictly observed and that we will not take any steps to authorize or start the construction of ships until the 90-day period has elapsed.

Mr. VANDENBERG. Mr. President, I should like to call the attention of the Senator to just one other matter. As I heard him a few moments ago, he complained of my pending substitute among other reasons on the theory that it would require the consent of the six other named powers before we could build 45,000-ton ships.

Mr. WALSH. That is one construction I put upon the Senator's amendment.

Mr. VANDENBERG. I think the Senator is wholly mistaken. I think the requirement solely is that the Government of the United States shall determine, after further consultation, that the other powers do not accept the 35,000-ton limit. That is a totally different thing from requiring their consent to our construction program.

Mr. WALSH. Let me read the Senator's amendment.

First of all, the Senator's amendment limits the tonnage of capital ships authorized in this bill to the tonnage specified in the House bill; and that would provide three capital ships of 35,000 tons. Let me say that there is no provision in the bill limiting the number of naval vessels in any particular class or their size. The limitation is entirely on tonnage. The Senator would limit the tonnage to that specified in the House bill—namely, the equivalent of three ships of 35,000 tons each. The amendment, however, provides:

That no capital ship in excess of 35,000 tons displacement shall be authorized or appropriated for or laid down prior to December 31, 1940—

None shall be authorized prior to December 31, 1940; which, of course, of itself would tie our hands up to that time, anyway. I think the Senator will agree to that. Up to December 31, 1940, no matter what the emergency may be, we may not lay down or build a capital ship of over 35,000 tons.

Mr. VANDENBERG. As the Senator reads the amendment, I think that is so; but it is not the intention at all.

Mr. WALSH. That is why I am about to suggest this amendment. Then the Senator has another alternative:

or until the Government of the United States has clearly determined, after further consultation as required in the London Naval Treaty of 1936, that other naval powers, to wit, Great Britain, France, Germany, Italy, Japan, and the Union of Soviet Socialist Republics do not accept a maximum limit of 35,000 tons standard displacement.

While I think the language of the amendment would bear the interpretation which I suggested might be put upon it, I think the Senator intended by the amendment that the three powers to the London treaty would have to consult with Great Britain, France, Germany, Italy, Japan, and the Union of Soviet Socialist Republics before we could undertake the construction of a 45,000-ton displacement capital ship.

Mr. VANDENBERG. That is correct. May I interrupt the Senator just to say—

Mr. WALSH. Now let me ask the Senator a question. Does that mean that if the three parties to the treaty agreed to exercise their rights under the escalator clause, which would mean the removal of the limitation of 35,000 tons, we could not build a 45,000-ton ship without consulting Japan as to what she is doing? We have consulted her, and she has refused to tell us.

Mr. VANDENBERG. It would mean, so far as the purpose and intention is concerned, that we would not be permitted to proceed to lay down a 45,000-ton ship until we had consulted with Great Britain, France, Germany, Italy, Japan, and the Soviet Republic, and determined as a result of that consultation that they would not accept and adhere to the 35,000-ton limitation, and that is the only thing intended.

The Senator has called my attention to an alternative which was unintended. I am going to ask permission to perfect my amendment by striking out entirely the first alternative date, so that the amendment will rest squarely and plainly upon the one and only requirement that we shall once more try to find out whether there is not enough sanity left in these six countries to agree on a limitation before we ourselves proceed to break the limitation.

Mr. WALSH. Let me say to the Senator—and I think we are absolutely in accord—so far as I can speak for the members of my committee, and so far as I am representing the Navy of the United States on this floor, that I do not want, I do not welcome, I do not expect or hope, that we ever shall go beyond the 35,000-ton limitation for battleships. I repeat that I infer from our naval authorities that that is their wish and desire. I am convinced, however, from the evidence before my committee, that the strongest weapon of defense of the United States Government in a naval conflict is the battleship.

Great Britain has naval bases all over the world. We have none.

A battleship is in a way a naval base. A battleship may be sent out into the sea and remain there for long periods of

time without ever coming back to be refueled. It is a base for the naval fleet and naval craft. Great Britain has bases all over the world. We have not; so our naval authorities are convinced that the battleship is the most valuable of our weapons from the naval standpoint.

Mr. LUNDEEN. Mr. President—

Mr. WALSH. Perhaps I am prolonging the discussion unduly. The Senator will pardon me; but I desire to say to the Senator from Michigan that I am anxious to cooperate with him. I am anxious to put in this bill any language which will not lead us into the field of going beyond 35,000 tons unless there is good reason for it, and I assume that is his purpose.

Mr. VANDENBERG. I thank the Senator very much for his statement.

Mr. WALSH. I am sure it is the Senator's purpose, and it is mine, that we shall not build anything above 35,000 tons unless we have assurance and proof and knowledge that some other country is doing it. If some other country is doing it, we shall have to do it, because we cannot fight a potential enemy with a gun of a certain size when the enemy has larger and more powerful guns.

Mr. LUNDEEN. Mr. President—

Mr. WALSH. I am about to yield the floor. I have suggested to the Senator from Michigan that he consider the amendment I propose, and see if we cannot get together on something which will prevent any hasty action by our Government leading toward the building of 45,000-ton battleships. Of course, I had hoped that the provision we put in, making it optional and discretionary, might place upon our naval authorities the obligation not to undertake to do it unless there was evidence to that effect.

Mr. VANDENBERG. Mr. President, I perfect my pending amendment by striking out the words "prior to December 31, 1940."

The PRESIDING OFFICER. Without objection, the amendment will be modified in accordance with the request of the Senator from Michigan.

#### THE AIR SERVICE

Mr. LUNDEEN. Mr. President, I desire to ask the able chairman of the Naval Affairs Committee if he maintains that we can use our dreadnaughts or battleships as a base without sending with the battleships a fleet to protect them from being sunk. It is pretty well established that a nation cannot have a battleship without spending dollar for dollar the value of the battleship for auxiliary ships and aircraft and submarines to protect that battleship, to keep it floating after it has been built.

Mr. WALSH. I know the Senator will appreciate my limitations of knowledge of naval craft, and the capacity of different types of naval vessels in the various categories. I assume that he has the same limitations as myself; but I think the Senator is correct to the extent that the battleship is much more effective when protected. As I understand the usual line of action, the battleship is in the middle of the fleet formation; that surrounding the battleship or battleships are cruisers; that beyond the cruisers are destroyers, and outside of the destroyers are submarines; that a complete fleet occupies on the ocean surface not less than 15 miles. Of course, the battleship is a most valuable ship financially, the most powerful vessel in its effectiveness. Therefore, every precaution is taken, first by submarines, next by destroyers, next by cruisers, not to let the enemy get to the battleship. The battleship has a longer and larger range than any of the others, has more powerful guns, and is more effective in destroying the enemy. So the Senator is correct, the battleship out alone by itself would be much more in danger of destruction by enemy submarines or other naval craft than a battleship protected by these auxiliaries which I have mentioned.

Let me say in this connection, because there has been some reference made to it in the debate, that the Navy looks upon airplanes as auxiliaries, just as it looks upon cruisers and destroyers and submarines. I am sorry to have taken the Senator's time from his speech.



## ADMIRAL SIMS AND BATTLESHIPS

Mr. LUNDEEN. I thank the Senator. However I recollect the statement of the commander of the Navy of the United States in the World War, Admiral Sims, who said that in the next war the safest place for battleships would be as far up the Mississippi River as we could get them.

I am glad that we are recognizing that airplanes, bombers, are at least auxiliaries. It had been my intention to speak at some length on the aviation aspects of this discussion, and I have here a map showing the range of aircraft.

## FOREIGN AIR BASES IN NORTH AMERICA AND THE WEST INDIES

Old bombing aircraft had a return range of 600 miles, now the range is 1,200, and the United States is within range of attack from foreign air bases now established by foreign powers in North America and in the West Indies. However, I shall not go into that at any great length, and I will only mention in general terms some of the thoughts I wish to give to the Senate on aircraft, because of the limited discussion we are to have.

Mr. President, we are discussing what improvements, if any, are wise from the point of view of our national defense upon the seas. As we struggle with this question we should not lose sight of the fact that a country's national defense has but a minimum of chance of success unless the various efforts of the nation be balanced in their rightful proportion one to another.

## TEAMWORK IN OUR NATIONAL DEFENSE

Just as this country has wisely constructed the Panama Canal in order to enable our Navy to move from our Atlantic to our Pacific coast with the least delay, so must roads in the air be constructed if our air force, our Nation's most modern arm of defense, is to be permitted equal rapidity of movement from one coast to the other. Without roads in the air our air force cannot, at will, proceed without delay from one coast to another should a crisis threaten our country at any time when weather conditions are adverse. Roads in the air are as essential to the movement of a military air force as is the Panama Canal to the movement of our Navy, or as are the highways and railroads to the movement of our ground troops.

## PREPAREDNESS IN THE AIR

As we sit here debating this momentous question, it is fitting that attention should be invited to the fact that this very day a subcommittee of the Senate Committee on Appropriations has begun hearings upon the Department of Agriculture appropriation bill for the fiscal year 1939. I would invite the attention of that subcommittee, in fact, I invite the attention of the entire Senate, to the fact that in that very bill, the appropriation bill for the Department of Agriculture for 1939, there exists a vital point of national defense, without an adequate solution of which our military air force may, under certain conditions, be rendered absolutely useless, and all the deliberations in which we are now engaged, or have in the past engaged, may be rendered of no avail.

## WEATHER PREDICTING AND FORECASTING NECESSARY

I refer to the provision for aerology. I refer to the appropriation for that portion of the Weather Bureau dealing with matters of weather predicting and forecasting as the same pertains to aviation. Roads in the air consist of those air navigational facilities built by the Department of Commerce and of those aerological aids provided by the Weather Bureau. Neither one is complete without the other. Both are required to make a road in the air.

It is to me a matter of sincere regret that this subject has received little consideration, although Members of Congress did invite attention to this defect in the provisions in the bill. The subcommittee apparently did not inquire as to the whys and wherefors of the Budget recommendations on this subject.

## APPROPRIATIONS NECESSARY FOR ADEQUATE AIR DEFENSE

As I have just said, this matter has only this morning come before a subcommittee of the Senate Committee on Appropriations. I invite their attention to the fact that the

House has failed to include \$541,951 of the Budget recommendations, and I invite the Senate's attention to the fact that the Budget has sent a supplementary estimate to the Senate, set forth in Senate Document No. 170, of this Congress, calling for a further \$147,000. To my way of thinking, none of these figures have been as carefully worked out as have the recommendations of the Senate Committee on Commerce in Senate Report 185, wherein attention is strongly invited to the need for approximately \$2,000,000 annual additional aerological appropriations, if human life is to be preserved while in the air and if our country's national defense is not to be rendered useless in times of adverse atmospheric conditions.

## TEAMWORK IN THE AIR

Mr. President, there faces this Nation today a need more serious than the need for an increased navy, now under discussion. We are faced with the necessity of building a second air force in order that there may be an air force on each of our ocean shore lines unless we will complete our system of roads in the air. A second air force, by the time it may be completed, will cost this country an initial investment of at least a billion dollars, and an annual maintenance cost perhaps greater than the normal appropriation for either our Army or our Navy, and that is the only alternative to completing our system of roads in the air in order that our air force may concentrate and maneuver at will on either coast. Hence, we are faced with providing for our aviation arm of national defense either the cheap provision of about \$10,000,000 for the Department of Commerce and \$2,000,000 annual additional appropriation for aerology, or we are faced with a large expenditure for an aviation arm of national defense on either coast.

## WORLD WAR, APRIL 6, 1917

Twenty-one years ago this spring statesmen of America were faced with the necessity of making one of the gravest decisions that ever fell to the lot of Members of Congress. The question then presented to this body was whether or not war should be declared on Germany. I was then a Member of the House of Representatives, and I voted against our entry into that war. Twenty-one years have passed—a generation has gone by—but today, in retrospect, I, for one, feel today as I felt then, that the negative vote was the correct vote. I do not seek to reopen the question of whether this Nation should have entered the battlefields of Europe, but I do say that I trust the time may never again come when American soldiers must fight on any foreign field.

The welfare of our native land is dear to all of us in this body, as it is to other citizens of this glorious country of 130,000,000 souls. We guard it, we cherish it, we seek to preserve it; and that is why I am now addressing the Senate of the United States.

## NO FOREIGN ENTANGLEMENTS

These are troublesome times in the world. It behooves every statesman of this country to spend every waking moment with the thought of how America may be kept free from entanglements of the future, and how America may be preserved in all its freedom from the maelstroms that seemingly face the continents of Europe, Asia, and Africa.

I trust Senators will believe, and I trust that my actions may show, that I rise not to speak on a hobby. Rather I stand here realizing that America, with all its might, must act as a team in which the players in all positions must be coordinated and must work in harmony. Only as a well-planned unit can the might of our Nation be utilized effectively to prevent some future calamity from dragging this country into the entanglements which face the mother countries of Europe.

## WHEN WAR BREAKS, LET US KEEP COOL

Today, realizing the necessity for planned effort and a well-grounded organization, I appear before you in earnest plea to "let sanity prevail" in our deliberations during these days of peace in order that we may remain free should the "mad dogs of war" be turned by one foreign country against another foreign country.

Freedom from such disaster in the future can lie only in the strength of our position. If we choose to remain weak as we were in 1917, we may be drawn into the impending European conflict solely because some ill-advised foreign potentate may not fear our effectiveness or the timeliness with which we can make our effectiveness felt.

Just as individual beings, or families, or corporations, or businesses fear to invite the might of strong opposition, so also do nations think twice before inviting the vengeance and the might of a well-prepared and powerful nation, amply capable of defending itself.

Tragedy can be kept out of American homes, the ranks of the war mothers of America can be saved from pathetic increase, and the Treasury of this country can be preserved from bankruptcy only by the statesmen of this country so organizing our might as to avoid another calamity such as was the World War, or at least avoiding our involuntary participation therein. Never again should an inconsequential act such as the murder of an archduke cause the spilling of American blood on foreign soil. The lives of a thousand archdukes should not be cause for the spilling of one drop of free American blood in the battlefields of any foreign country.

#### KEEP AMERICA STRONG

If America remains strong, and where there be defects in our national-defense system, if these defects are remedied, then America will be made strong, then the chances of our ever again being faced with the decision of war or no war in a foreign country may be eliminated. The statesmen of this body have no duty more imperative facing them than the duty of protecting our homeland. In fact, it was the necessity of presenting a common, defensive front to the whole world that primarily caused our Thirteen Colonies to combine and agree upon the creation of a Federal Government. Our Federal Government was brought into existence for the common purpose of national defense. In our deliberations we must not lose sight of the fact that national defense is a Federal responsibility.

I do not believe our native land should remain defenseless. I believe that the way to stay out of war is to be so well armed that no enemy will dare entangle us in war. I see a very essential link missing from our modern establishment for national defense. I see that the result is a dangerous defect in our elementary need for national protection. I see that, unless we now build an adequate system of "roads in the air," the weapons which our foresight is attempting to provide may be useless at a critical moment. I see that this dangerous defect can be cured by the appropriation of what in perspective is but a paltry sum. I ask of all Senators that this defect be not passed over by this present Congress. Inaction to remedy it is not compatible with either our oath of office or our love of our homeland.

For generation after generation the problem of our first line of national defense was a simple one. With friendly neighbors on the north and south, and with protective oceans on the east and west, the American problem of a first-line defense resolved into the simple one of being certain that our Navy was adequate in size, efficient in operation, and ready at all times for action; and that is just the kind of a Navy we have today, in spite of the slings and slurs we have heard here against our invincible Navy.

#### WRIGHT BROTHERS AT KITTY HAWK

The achievement of the Wright brothers at Kitty Hawk has changed that picture. Today it is an admitted fact that the next great war is likely to begin with engagements between opposing aircraft, either sea-based or land-based, and early aerial supremacy is quite likely to be the important factor in deciding the conflict. This involves many considerations, but primarily a superior supply of effective airplanes and their accessories. An adequate, permanent aircraft industry is therefore essential to national defense. It is true, of course, that military aviation in time of war probably must rely largely upon airplanes built in time of war; but, owing to that very fact, the general condition and peacetime productive capacity of the aircraft industry with respect to both

personnel and material are of national concern. For the first few vitally important months of a future war the permanent aircraft industry will carry the full burden of supplying equipment and personnel, and thereafter will provide, in addition, the necessary engineering and supervisory talent for the emergency industry. These basic principles are beyond debate. They are and must be accepted by every thinking individual. It is in part because of the insufficiency of America's permanent aeronautical industry that our first line of defense is not, in my judgment, adequate for the protection of this country and for the problem of keeping us out of the next great war. Our present aircraft establishments cannot keep up with present orders. Though I suspect they would do much better if we stop equipping foreign nations—nations we may some day face in war if we follow the foreign policy of gentlemen who sponsor this naval madness.

True, each year Congress does legislate in ways that influence our peacetime aeronautical industry, but the legislation is piecemeal, and much of it is poorly conceived.

#### AN AMERICAN AVIATION POLICY

America may have a policy—a national policy—for its aeronautical effort; but if so, that policy is often forgotten, or, what is worse, not perpetuated from one Congress to another. We should have standing committees on aeronautics in both the House and the Senate, composed of Members with overlapping terms, so that, once a policy is decided upon, the older heads may retain that policy and educate the newer Members as faces change upon the committees. How else a national policy may be perpetuated, I do not know. America is spending huge sums on aeronautics. It is only common sense that some continuous, directing leadership should permanently guide that expenditure, so that our results may be proportioned and well-balanced—and that is not the case today. The Senate and the House must create such bodies that will promote and aid our national defense.

As an example of the penny-wise and pound-foolish policy now facing us in aeronautics, today we see our Government spending over \$200,000,000 a year on aviation; we see our national-defense air force valued today at more than \$600,000,000, and perhaps all made ineffective and useless for the want of a few timely dollars to be coordinated with our current aeronautical expenditures.

You remember what the Panama Canal originally cost to build. It cost \$400,000,000. You know why you built the Panama Canal. You built it partly for the needs of commerce and partly to enable the United States Fleet to maneuver at will in either ocean, thereby doubling the effectiveness of its defense.

#### AVIATION EXPERIENCE IN THE WORLD WAR

Do any of you know how many dollars you spent for your military air force during the World War? It is said this Government was informed in the spring of 1917 by Great Britain that, based on British experience, it would cost \$1,000,000,000 to place the first 1,000 American flyers on the western front. America's experience very closely bore out that prediction. You spent \$608,000,000 for this country's World War aviation, and you had on the western front on the day of the armistice somewhat over 600 effective American flyers. It thus cost approximately \$1,000,000 per flyer.

Do you know how many dollars you have at this moment invested in your presently existing military air force? It is something over \$600,000,000—a figure as large as your wartime expenditure on military aviation. On May 13, 1937, my distinguished colleague the senior Senator from New York endeavored with all the force of his eloquence to increase by a paltry \$750,000 the 1938 appropriation for Weather Bureau aerological service—an amount in itself a compromise far below the real needs of that too long neglected service, without which we can realize naught but a fair-weather military air force, and without which our aircraft in all forms of civil life must fall far short of all-weather usefulness. And Congress voted his amendment down.



## ADVERSE WEATHER CONDITIONS MUST BE STUDIED

Today we are greatly concerned. We are against war. We abhor the very idea of war. But, if war should be thrust upon us, I do not like the idea of our Nation's being so unprepared as to have an air force that would be helpless if the emergency were to arise under conditions of adverse weather.

To my way of thinking, we have no moral right to impose on this blindly trusting country a scheme of national defense that is effective only on the days when God may see fit to grant us favorable weather conditions. When we do that, we violate our oath of office, for that oath contemplates our doing our utmost to protect our homeland and our fire-sides. We cannot base our national-defense expenditures solely upon the use of our military machinery only on days when atmospheric conditions may be deemed favorable. Yet that is what we have done. To me that is a short-sighted policy; a policy with which no Member of this body can possibly agree when the matter is presented to him in its true light.

## AIR ROADS MUST BE BUILT

Due to various reasons, many of which are political, this country in time of peace so disposes of its military air force as to cause its various tactical units to be scattered over all sections of this land. Should an emergency threaten, it is essential that America be able to concentrate its defensive air force at the proper point and then to move that air force at the proper time from point to point as the emergency of war may require. My colleagues, this cannot be done unless in time of peace you have built good roads in the air—roads, which, when once built, never wear out.

By closer propinquity with the subject, every Senator knows that surface highways and surface railways are as essential to success in war and to the defense of our homeland as are guns and ammunition. Everyone of us agree with that indomitable character who perhaps has insight in the principles of modern warfare as great as that possessed by any man, living or dead, who had experience in the great World War. I refer to David Lloyd George, former British Premier. It was the strength of character and the far-sighted vision of this great Britisher that contributed so much to the success of the allied forces. His memoirs constitute a record of unfading historic interest. No one who does not study them can be well informed about the problems of the Great War. In volume 5 of his memoirs, on page 153, he says:

Roads . . . are a fundamental part of the equipment of a modern army. They are formidable weapons of war.

## AIRWAYS FOR AMERICA

It is just as essential that a nation build roads as that a nation build weapons of war. And in this day and age roads are required in the air just as roads are required on the surface of the earth. In course of but reasonable time every main railroad, every principal surface highway, and every vital waterway will be paralleled by a companion roadway in the air. Sir, today it is not yet necessary for us to proceed that far. But it is necessary that those of us charged with the responsibility of the safety of our homeland in time of war should today foresee that the weapons that provide for national defense can be moved to the scene of action in the necessary quantity and at the proper time, whenever that time may be. In war, time is of the essence. An enemy threatening New England is not likely to be persuaded to delay its attack until the fog has lifted from southern California or the "soup" has disappeared from the atmosphere over Seattle.

## QUARRELS THAT DO NOT CONCERN US

Our method of keeping out of war is to be so well prepared that we will not be attacked and will not be drawn into quarrels that do not concern us. Our experts say our Navy is large enough. Let us look to the air. I favor adequate appropriations for our military air force because, gentlemen, that force is today admittedly an essential part of our defense. But if we are going to provide for a military air force to de-

fend us it is utterly ridiculous for us to fail to provide a means that will permit this modern weapon of war to be used when and where necessary, regardless of atmospheric conditions.

## THE MORROW BOARD

In 1925 President Coolidge, faced with this same problem, created the Morrow Board, a Board that wrote the report that has since remained the basic foundation of America's aeronautical efforts, whether in the Army, in the Navy, or in civil life. Some of the most brilliant and farseeing Americans of all time served as members of this Board that popularly bears the name of its chairman, the late Dwight W. Morrow. That report met with approval of our Army, our Navy, our President, and of both Houses of Congress, and during the year 1926 its results were embodied in this country's present basic aeronautical legislation.

## THE AIR IS AN ALL-SURROUNDING OCEAN

In this legislation Congress adopted the correct and far-sighted policy that the air is an ocean, the only ocean navigable to all points of the earth's surface, and the further policy that the air between any two points in our homeland is like a navigable waterway between these two points.

Just as predecessor Congresses for the last 100 years have wisely marked, with lighthouses and other signaling devices, the points of hazard to water navigation so did the Sixty-ninth Congress then decide that the Federal Government should mark the points of hazards to air navigation. Just as previous Congresses for 100 years have dredged channels, installed buoys to mark channels, and otherwise improved our water navigation so did the Sixty-ninth Congress likewise decide that this same principle would be adopted and followed as the policy of this Nation in marking channels in the air. This was a correct and far-sighted policy—one that has contributed materially to the success which has already been obtained in aeronautics in America.

## CIVIL AIRWAYS

This wise legislation of 1926 resulted in the designation and creation of civil airways. On this subject, until 1932, inclusive, the Congress appropriated an average of one and two-thirds million dollars per year for the creation of new and additional air navigational facilities along these airways.

As airways were created the amount of flying in America increased in proportion. But now we come to the tragedy of the situation. In 1933, from regular appropriations, we spent upon these airways the great sum of zero dollars. In the fiscal year 1934 we spent again the unbelievable sum of zero dollars from our regular appropriations. From the regular appropriation of 1935 there was spent \$287,900, in 1936 the paltry sum of \$87,000, and in 1937 but \$685,000 for the building of new and additional facilities for air navigation during this present fiscal year. The great work that was started and continued by Congress up to and including 1932 has been seriously neglected since that date. Although the amount of flying has increased since 1932 by approximately 300 percent the activities of our Federal Government have been somewhat forgotten. Such is the sorry history of the rise and decline of our Federal policy for air navigational facilities along our airways.

## ACCURATE WEATHER REPORTING

Airways need not only radio and other forms of signaling facilities but fundamentally and basically they need accurate and adequate weather reporting. Since 1932, the Congress has likewise neglected this subject. In fact, it made an arbitrary reduction of approximately 40 percent in appropriations for aerology during the depression and subsequent to 1932. The reduction in appropriations for aerology had been so great that the Director of the Weather Bureau has testified before committees of Congress that deaths have been due to inadequate and inaccurate aerology. We are not proud of that record.

Gentlemen, to us human life is just as precious in one section of the United States, as in another. If there be any reason for a Government at all, certainly the primary reason must be the protection of human life. A traveler by land, by water, or in the air has a right to expect that his Govern-

ment has done its own full duty to foresee safety, just as the Government, by the activities of its many and costly bureaus, requires the common carriers by railroad, by steamship, by motor carriers, and by airplane, to do their allotted duty to provide safe transportation.

#### COMMERCE ALONG THE ROADWAYS OF THE SKY

America, since 1932, has been blind and deaf to its national duty for commerce along the roadways of the sky.

There is another step along these lines which I should like to call to the attention of the Senate. I refer to the situation in South America. What I have been saying refers to the West Indies and foreign air bases in North America which threaten the United States. I wish to speak now concerning Brazil.

#### SOUTH AMERICAN AIR COMMERCE

We have been, and we still are, neglecting the opportunity to improve our commerce in this hemisphere, at our very doors, because we are closing our eyes to the increase of commerce available to our citizens throughout all of South America, if we would but avail ourselves of the commercial opportunities presented to us by aircraft, opportunities of which the Germans and the French are taking advantage at the present time, as the Italians and the British will soon, to better advantage in South America than are we.

#### BRAZIL A GREAT AND FRIENDLY COUNTRY

For example, here is our great and friendly neighbor to our South, the great country of Brazil, a nation larger in extent than the United States, a nation of such a size that one island lying in the mouth of the Amazon River is larger in size than the entire State of Massachusetts. A survey of Brazil shows that the people of that great country, "the United States of the South," as they call themselves, are not only desirous but also eager to trade in increasing quantities with the United States. But our very actions are driving them into the hands today of the Germans and the French, as they will soon drive them into the hands of the Italians and the British also. In hotel lobbies and throughout commercial centers of Brazil, signs exist indicating that a letter from a businessman in Brazil will be delivered in France or in Germany within 48 hours. The same signs indicate that the Germans and the French, by staggering their schedules, have more frequencies of flight between Germany and France on the one hand and Brazil on the other, than has the United States. Brazil is a great and growing country, a country with national resources approaching the United States, a country that is friendly to us, and one that seeks to increase its trade with us, but as the businessmen of that great country say, "How can we trade with you to the extent we desire, when you make it impossible for our business common sense to permit us to do so? We can get our communications to Germany and to France more frequently and with greater rapidity than we can to the United States. Thus may we order our merchandise and sell our products with greater frequency and improved turnover than is possible in trading with the United States. Give us greater frequencies of communication between your country and ours, and we will give you the trade that our heart instincts and our common sense tell us we would rather see you have than we would the countries of Europe."

#### MOTION PICTURES ON THE AIRWAYS

All the world knows that America's motion pictures are second to none. Our motion-picture industry throughout Brazil is crying for more frequent schedules between America and Brazil in order that the productions of this country, rather than those of France and Germany, may obtain the market that is so eager to trade with us. Our pan-American airways are marvelous. They must be extended and aided and fortified against every contingency. There must be greater frequency of service. We must lead the world in airways on the Western Hemisphere.

But a few years ago American cotton dominated the world. Then came our change in policy and our cotton acreage began to be plowed under. As one travels up and down the coast of Brazil, humble towns, humble Brazilian towns—towns that formerly had but a small coffee business—have now be-

come great, flourishing centers for the export of Brazilian cotton to markets formerly dominated by the cotton of our Southern States. In many cases coffee trees are being uprooted and cotton plants are being inserted. As one flies over the coast of Brazil he may look down and note the growing and expanding and thriving cotton fields of Brazil. And where is that cotton going? It is going to the markets of Germany and France and other countries—markets that formerly belonged to America and that, in turn, are trading with Brazil for merchandise, and Brazil, in turn, is taking from them in exchange merchandise which formerly she bought from the United States.

Here, at our very doors, is an opportunity for warfare—an honorable warfare, a commercial warfare of the kind in which America should engage. Here is an opportunity for commerce between the northern and southern nations of this hemisphere; an opportunity that is only waiting to do business with us if we would take some of these dollars we are today proposing uselessly to dedicate, and to dedicate without return upon investment, to dinosaurs of the sea, and invest those same dollars, or part of them, in increased frequency of airplane schedules with our friendly neighbors to the south and to the north, and thus build up the commerce of this hemisphere and our prestige in our own borders. That, Senators, will be a real contribution to our national defense. The money that would finance but one of these dinosaurs of the deep would be ample to provide those increased frequencies of communication by aircraft with our neighbors in South America, so that the trade of the South would flow northward to this country, and our materials, in exchange, would flow southward to our friendly neighbors below the Equator. Then, and not until then, would we be taking advantage—full advantage—of the opportunities for a peaceful increase in the commerce of this Western Hemisphere—opportunities made possible by the advent of this great new arm of commerce and national defense—aviation.

The failure of our Government is bad enough when discussed in terms of hazard to human life and in terms of impediments to commerce. However, that is today not the purpose of my remarks. Much as I cherish and seek to protect human life, much as I hope for the success of American commerce, not alone on land and water but also in the air, gentlemen, I hold still dearer the protection of our native land and I seek that protection by insuring that we remain out of war, rather than by hazarding our being dragged into war.

#### TIMELY ACTION AT THE PROPER POINT

To remain out of war, our existing and future military air force must be capable of timely action at the proper point. As I have sought to illustrate, we in this country cannot now depend upon timely and effective action by our air force if weather conditions be adverse.

Also part of our strength that may keep us out of war and protect us in case the calamity of war does threaten us, is our permanent aeronautical industry. Here again America is deficient. Primarily and fundamentally our deficiency, both in our military air force and in our permanent aircraft industry, lies in our failure to build roads in the air—roads that are usable in all atmospheric conditions. The experience for the construction of these roads is in existence. The material required is no longer experimental. All that is needed is the will and the vision to construct these roads—and they are not expensive, judged by any standard of road construction. An appropriation of an amount as little as 6 percent of the sum which the Federal Government proposes to spend next year on surface roads would, if wisely expended, close every existing gap in our present airway system.

#### ADEQUATE AIRWAYS IS GOOD NATIONAL DEFENSE

Now why has Congress not constructed these needed roads in the air? There must be some reason for our failure to do so. Adequate roads in the air, sometimes called airways, will make effective for the defense of this country our proposed air force of 2,320 planes.

And while on this subject, 10 years ago America laid down the policy of creating an air force of 1,800 effective planes



over the ensuing 5 years. Ten years have passed, and our military air force does not yet contain one-half of the effective number of planes which 10 years ago Congress intended to have in service by 1930. That is another part of this same story, and one which the Congress must remedy. The only excuse that can be given for the failure of Congress to provide for the air force it proposed is the confusion in the minds of Congress due to the conflicting statements before congressional committees of parties no longer in the aeronautical picture. Now that this confusion of thought has been eliminated, it is time for the Congress to remedy the dangerous defect.

#### OUR PERMANENT AIRCRAFT INDUSTRIES MUST BE SUPPORTED

But returning to my original thought, our commercial aeronautics, our permanent aircraft industry, bears the same relation to our military air force that our merchant marine does to our Navy. The merchant air force, otherwise known as our commercial or scheduled air-line industry, can be greatly augmented in time of peace by relatively small expenditure on the part of the Federal Government. As roadways in the air are built, more civilian airplanes will be used; as more airplanes are used, more roadways can with profit be built. More airplanes will mean more roadways in the air, and more roadways in the air will mean more airplanes. Thus will commercial aviation be augmented, and thus will a respectable merchant marine of the air, auxiliary to our military air force, be realized in the way least expensive to the Federal Government.

#### CIVIL AVIATORS AVAILABLE FOR GOVERNMENT SERVICE

I have already related to you how, in the days when airplanes and their accessories cost only about 25 percent of the present cost, it required \$1,000,000,000 to place 1,000 flyers on the western front. Today the cost of such an effort, without the peacetime help of civil aeronautics, would be infinitely greater. That such peacetime help can be fostered for but a modest Federal expenditure has been already amply demonstrated. The scheduled air lines of the country today employ more than a thousand of the best trained pilots the world has ever seen. The thousand are available on a moment's notice for the needs of the Federal Government and, Senators, it has not cost you anywhere near a billion dollars to obtain them.

#### FORESIGHTED POLICY OF CONGRESS NEEDED

In the past 10 years our Federal Government has followed the policy which successive Congresses over the past 8 years have agreed upon. All means of transportation in America, from the pony express and the stagecoach to our water carriers and our rail carriers, have been fostered and developed by the far-sighted policy of Congress in authorizing the transportation of mail at a price which compensated not only for the development of a new and additional means of transportation but for the simultaneous benefit of travel and trade. A great portion of such expenditure has been returned to the Federal Treasury in the form of revenue derived by the post office from the sale of stamps. This 80-year-old policy of the Congress has been applied likewise in the creation of our newest mode of transportation, namely, transportation by aircraft. In the last 7 years there may have been paid by the Post Office Department for the transportation of domestic mail by air some \$58,000,000 more than the estimated postal receipts from air-mail postage during the same period. It is alleged that this \$58,000,000 is a subsidy. Personally, I very much doubt whether the subsidy has actually been that large. But, assuming that it has, in that same interval of time the stockholders of the scheduled air lines have contributed in losses between sixty and sixty-five million dollars to this same undertaking. There has thus been created in this country, by the mutual help of both private capital and Federal funds, the safest and greatest system of scheduled air transportation that the world has ever seen in any nation. From the Federal point of view, the Federal Government is being benefited by the fact that annually the unit cost of transportation of mail by air has decreased, so that today that cost—the cost per pound-mile—is approxi-

mately only 25 percent of what it was 4 years ago. Today it is more than likely that, if the truth were known, the domestic scheduled air-line industry is not subsidized. However, taking the most pessimistic Federal figures on this subject, the alleged domestic subsidy to air mail at the present time is only at the rate of approximately \$400,000 annually. Because of this paltry and inaccurately alleged \$400,000, there are Members of this Senate and Members of the House of Representatives who would jeopardize our entire scheme of national defense—who would jeopardize the protection of the firesides of our children and our children's children.

#### WE MUST BE READY TO MEET ADVERSE WEATHER CONDITIONS

There are those among us—and particularly there are those in Congress—who have arisen and attempted to defeat adequate appropriations for the building of our Nation's roadways in the air, without which our \$600,000,000 investment in our military air force is helpless under conditions of adverse weather—without which the defense of our homeland is helpless under conditions of adverse weather.

I hope this Congress will not adjourn with a situation of this character remaining unremedied. To me it is intolerable that Congressmen can stand upon the floor of the House—and Senators arise on this historic floor—and attempt to defeat the stark necessary aims we seek in our national-defense program.

#### AIR SERVICE—CIVIL AVIATION IS MILITARY PREPAREDNESS

The ultimate object of all military training and all military forces is success in war. There is no other reason for the existence of a national-defense force; and yet, my colleagues, that is jeopardized now by what I am sure is a misunderstanding or a lack of education.

The Members of each Congress are faced with consideration of some 14,000 different pieces of proposed legislation. It is impossible for any Member of any Congress to know all that should be known about each of so many proposed bills. However, I do say that it is essential that every Congressman and every Senator, no matter from what part of the country he may come, shall understand and heed the basic principle of our national existence, namely, the national defense. That is not too much to ask of any man. If we fail in this one duty, all else that we may do in our assembly here will be as naught. If we succeed, all other problems may take their proper place in the sphere of our national prosperity.

#### THE RANGE OF AIRCRAFT

Whether you represent the country along our seacoast, or whether you represent one of our inland districts, the day is now here when the defense of your firesides is a matter of concern to each and every one of you. The range of aircraft has already been so extended that, from existing foreign controlled airdromes in the West Indies, our inland cities can be bombed as easily as may our seacoast villages. From foreign bases already in existence along our Atlantic seaboard foreign aircraft can today bomb every city along the Atlantic and Gulf coasts and as far inland as Kansas City, but I have never seen a navy navigating on dry land—navies stop at tidewater—airships and planes can move in over our land and I want an American air force powerful enough to annihilate any foreign air force that may attempt an invasion of America by the air.

#### NO EFFECTIVE DEFENSE TO ENEMY AIRCRAFT EXCEPT AIRCRAFT OF OUR OWN

There is no effective defense to enemy aircraft except aircraft of our own. But aircraft of our own are useless if they cannot be mobilized adequately and with timeliness; and, gentlemen, under the condition that now exists, and that will continue to exist pursuant to the appropriation bills you are now considering, American defensive aircraft cannot be definitely counted upon to be in the right spot and at the right time if weather conditions be adverse. That we must remedy. We cannot allow an Achilles heel like that.

I find it difficult to restrain myself in talking upon this subject, for the decisions that the Congresses of the country have made since 1932 are to me incomprehensible. That we should be spending annually \$200,000,000 of Federal money, not counting the large expenditures by States and cities and

other communities, and not counting the large expenditures of private capital, I say, that we should be spending annually over \$200,000,000 of Federal money and providing only an aerial effort that is useless, and even dangerous to life and property under adverse conditions of weather, is inexplicable to me; especially when the knowledge exists that an additional paltry number of dollars would make efficient an arm of the service which under adverse weather conditions may today be ineffective and inefficient.

#### THERE CAN BE NO SECURITY UNTIL WE ARE PREPARED IN THE AIR

That we should rest with a feeling of security because we have after 10 years, an air force of the size that we had expected to have at the end of 5 years, that we should rest with a feeling of security when this all too meager military air force cannot be concentrated and utilized effectively under conditions of adverse weather, seems to me a policy so shortsighted that there is not a Senator and not a Congressman who could espouse such thoughts if he but realized the truth. If the cost of remedying this defect were excessive, there might be some excuse for hesitation. But that cost is not excessive. The Federal Government during the past 6 years failed to appropriate by approximately \$8,000,000. If to that \$8,000,000 we add \$2,000,000 more, as a necessary provision for the normal annual growth of our roadways in the air, we shall accomplish all that in my judgment is appropriately required at this time in the form of radio and other signaling devices required for safe and dependable air navigation along these Federal airways.

#### BUILDING OUR AIRWAYS

But that is only part of the story. Fortunately for the Treasury, the remaining part is relatively inexpensive. To the radio and other signaling devices that go to make up air navigational facilities, there must be added the accumulation and dissemination of information pertaining to existing and approaching atmospheric conditions. Approximately \$2,000,000 added to the contemplated 1939 appropriation for aerology would buy this form of insurance so essential for our national defense; and, what is even more important, that expenditure would give us knowledge and warning of flood conditions, hurricanes, tornadoes, and tropical storms, and be of value in the everyday life of our farmers, our shipping, and our men of trade throughout the length and breadth of our native land.

How we can stand by and see our national security jeopardized, see the unnecessary destruction of our crops, and witness the loss of hundreds of millions of dollars due to lack of warning of approaching storm and flood conditions, all for the want of a \$2,000,000 expenditure, is beyond my comprehension; especially, gentlemen, when I personally witnessed the overwhelming majority vote to plunge us into the greatest colossal blunder of blood and fury which this world has ever witnessed, destructive of the lives of so many and productive of a debt from which this country seems little likely ever to recover.

#### SOLVE THE PROBLEM OF AIR DEFENSE NOW

Oh, the folly of such human conduct. Voting, on the one hand, nearly unanimously, to place a burden of \$100,000,000,000—(Coolidge, November 11, 1928)—upon our Nation, which the next hundred years will not alleviate, and, on the other hand, for the sake of a mere few million dollars, to jeopardize our national existence by leaving us in a position where the folly and the loss of life and the accumulation of debt of 20 years ago may again be repeated, perhaps unnecessarily repeated, within the next few years. Such a situation is unthinkable. The only answer is that the matter has never been clearly explained to the majority of the Members who have made up our Congress during the last 5 years. There is yet time to fully understand this air problem of defense.

Apparently there are those who feel that a vote for the construction of roadways in the air, whether in the form of air-navigational facilities or in the form of aids for aerology, is a vote for something for which the scheduled air lines of the country should provide the capital. If such be their thought, then to them I say that the scheduled air lines of

the country do less than one-third of the total flying. The remainder of the flying is done by the Army, the Navy, the Marine Corps, the Coast Guard, the nonscheduled flyers, and the private pilots.

#### CIVIL AIRWAYS AND MILITARY AIRWAY COOPERATION

In the Air Commerce Act of 1926 we have specified that there shall be "no exclusive right for the use of any civil airway \* \* \* or other air navigational facility." The original construction cost of the present civil airways has been approximately \$9,000,000. Although by law no proprietary right and no exclusive right can be granted to a scheduled air line for the use of a civil airway, the scheduled air lines of the country have spent their own capital in the construction of airways and airway facilities to the extent of a sum \$1,400,000 greater than the amount expended thereon by the Federal Government. Furthermore, while accurate figures are difficult to obtain, it is quite likely that money annually expended along the civil airways by the scheduled air lines equals or exceeds the similar expenditures by the Federal Government. And, mind you, the scheduled air lines do but 32 percent of the flying of the country. Those who do the other 68 percent of the flying can and do use the facilities provided by the scheduled air-line industry as well as by the Federal Government, and use them usually without cost. There are some parts of the country in which a heavy volume of Army and Navy air traffic has no alternative but to make extensive use of airways privately built and maintained by our scheduled air lines.

#### JEOPARDIZING THE ROADWAYS OF THE AIR

To those Members of Congress who, unintentionally I trust, are jeopardizing our national defense by their lack of information on the role that private capital plays in providing today's roadways of the air I commend the foregoing figures for their studious consideration.

To the Secretary of Commerce I recommend his reading or rereading section 8 of the Air Commerce Act of 1926. The Sixty-ninth Congress, in section 8 of that act, created the office of an additional Assistant Secretary of Commerce. He was to be an Assistant Secretary for Aeronautics. He was to perform the functions vested in the Secretary "under this act." So long as the Secretary of Commerce obeyed the mandate of Congress in this respect, so long as there was an Assistant Secretary of Commerce who devoted his undivided effort to the Government's aeronautical activities, not a murmur of dissatisfaction was raised anywhere in America against the administration of civil aeronautics by our Federal Government. Synchronized with and coincident to the violation of the mandate of Congress in this respect, there has arisen and there now exists a great and growing demand and need for greater efficiency on the part of the Federal Government in its administration of civil aeronautics. The moment the Assistant Secretary of Commerce was taken away from aeronautics and aviation exclusively and was given hybrid duties, at that moment serious trouble began.

#### FINDINGS OF THE COPELAND COMMITTEE

I agree with the findings of the Copeland committee, arrived at after 2 years of study, wherein that committee pointed to the lack of experienced and adequate leadership for civil aeronautics in the Department of Commerce, and wherein, on page 46 of Senate Report No. 185 of this Congress, that committee recommended that this position of leadership in aeronautics be restored in accordance with the direct mandate of the Congress, and that committee said that the time had not yet arrived when this mandate of Congress could safely be set aside. It was congressional lack of action that primarily led Congress into its false policy of not providing for the needs, not only for the protection of the lives of our citizen air travelers but also of the national defense.

#### OUR PLAN OF NATIONAL DEFENSE

There is no single step that can be taken at this moment by any person outside the Halls of Congress that can have an effect on American aeronautics as beneficial as the remedial action which I am here requesting and demanding



of the Secretary of Commerce. Without this action, who knows what additional quantities of bad advice may be given to this and other Congresses, or how many more American lives will uselessly be sacrificed, or how much more time will needlessly be wasted before our Nation can have the vision to remedy the fundamental defect in our plan of national defense which today I am attempting to lay before you? This violation of the will of Congress has already resulted in consequences so disastrous as to alarm an American public and afford a topic of conversation along the Halls of Congress. I hope we may remedy this situation and thereby prevent repetition of further sacrifice of lives and property. I pray that we may remedy the situation before world affairs become further entangled, advancing the day when our national security may be threatened.

#### HEED THE REQUEST OF THE COPELAND COMMITTEE

I hope the President of the United States will promptly heed the request of the Copeland committee that he rescind that portion of his order of 1933 under which alien duties were laid on the Assistant Secretary of Commerce who theretofore had been the Assistant Secretary for Aeronautics, so that the mandate of Congress as set forth in section 8 of the Air Commerce Act may no longer be set aside. When, in June of 1933, the President saw fit to send to the Congress his message for certain administration reorganization, contained in House Document No. 69 of the Seventy-third Congress, he stated that if the Congress did not wish a policy continued, it could readily be remedied. In the judgment of all those who have studied this subject, the emergency that necessitated the President's action in 1933 has long since ended. Compliance with the spoken and tested mandate, expressed by Congress in section 8 of the Air Commerce Act of 1926, is today essential for the protection of lives and property, and for the advancement of commercial aeronautics in order that American aviation may serve its proper sphere not alone in commerce but also as a supplement to our national defense. The interest of our national defense alone demands a restoration of the mandate which Congress wisely and with mature consideration and foresight ordained in 1926.

#### AIR MOBILIZATION

I hope the President will remedy another great defect, which I have set forth, in our plan of national defense. I ask that the present Congress do not adjourn without its correction. I request that the President lend his support to an appropriation that will fill the gaps in our system of national roads in the air, at least to the extent that will permit the timely mobilization and movement both of our military air force and its commercial complement in time of emergency, regardless of atmospheric conditions; this will amount to about ten million initial expense for Department of Commerce air navigation activity and about two million annually will be appropriated for aerology. Nothing short of this can be called adequate protection.

#### DEFENSE OF OUR HOMELAND

I trust that irrespective of what may happen elsewhere in this troubled world, not one of us may ever again be faced with the necessity of voting "yes" or "no" upon a declaration of war. I trust that the necessity for such a decision may be eliminated not only from our careers but also from the careers of our children and our children's children. It can be so eliminated if we have the foresight, the strength of character, and the will power truly to desire and accomplish its elimination. I thank God for the friendly oceans on either side of us and for the peaceful neighbors of our north and south. My thanks I would seek to give to those of you who will join with me, or who will permit me to join with you, so that we may make efficient, so that we may mobilize and concentrate, and so that we may maneuver our small defensive military effort from one point to another in adequate force and with effect well timed in order that our strength, whatever it may be, can be applied to national defense, regardless of weather, and regardless of place or

time. Then can we feel reasonably secure; reasonably safe in our knowledge that any possible enemy must realize that we are armed, that we are efficient, and that we can apply our arms and efficiency at any appropriate point within our home country should we be threatened.

Then, Senators, with our aviation arm of national defense capable of playing the role which it is intended to play, we may, I trust, be permitted to remain free of any entanglements that might cause a repetition of the disastrous situation in which we became involved some 20 years ago.

#### A UNIFIED AIR SERVICE

Mr. President, on June 7, 1935, I delivered a speech at some length in the House of Representatives upon "a unified air service," and I intended to refer to it at some length because it applies today in my opinion as it did then, except that some of the figures should be brought up to 1938. I had intended to go into the possibilities of attack from these Western Hemisphere air bases now belonging to foreign countries, but since we have agreed to limit debate, which I am not so sure was a wise limitation at least from our standpoint (but I did not want to interpose an objection), I do not feel that I wish to impose myself upon the Senate at any further length, because I know that other Senators will wish to address themselves to the subject.

#### IMPORTANCE OF AIRCRAFT TODAY

I ask that the question of aviation be not lightly passed over, and I thank the able and distinguished Senator from Massachusetts [Mr. WALSH] for his reference to aircraft when he says that they are an auxiliary of our Navy. Let us not pass by aircraft and aviation and air service as though it had no place in this discussion.

#### STRENGTHENING AND ENFORCEMENT OF ANTITRUST LAWS (S. DOC. NO. 173)

The PRESIDENT pro tempore laid before the Senate a message from the President of the United States, which was read and referred to the Committee on the Judiciary, as follows:

#### To the Congress of the United States:

Unhappy events abroad have retaught us two simple truths about the liberty of a democratic people.

The first truth is that the liberty of a democracy is not safe if the people tolerate the growth of private power to a point where it becomes stronger than their democratic state itself. That, in its essence, is fascism—ownership of government by an individual, by a group, or by any other controlling private power.

The second truth is that the liberty of a democracy is not safe if its business system does not provide employment and produce and distribute goods in such a way as to sustain an acceptable standard of living.

Both lessons hit home.

Among us today a concentration of private power without equal in history is growing.

This concentration is seriously impairing the economic effectiveness of private enterprise as a way of providing employment for labor and capital and as a way of assuring a more equitable distribution of income and earnings among the people of the Nation as a whole.

#### I. THE GROWING CONCENTRATION OF ECONOMIC POWER

Statistics of the Bureau of Internal Revenue reveal the following amazing figures for 1935:

##### Ownership of corporate assets:

Of all corporations reporting from every part of the Nation, one-tenth of 1 percent of them owned 52 percent of the assets of all of them.

##### And to clinch the point:

Of all corporations reporting, less than 5 percent of them owned 87 percent of all the assets of all of them.

##### Income and profits of corporations:

Of all the corporations reporting from every part of the country, one-tenth of 1 percent of them earned 50 percent of the net income of all of them.

And to clinch the point:

Of all the manufacturing corporations reporting, less than 4 percent of them earned 84 percent of all the net profits of all of them.

The statistical history of modern times proves that in times of depression concentration of business speeds up. Bigger business then has larger opportunity to grow still bigger at the expense of smaller competitors who are weakened by financial adversity.

The danger of this centralization in a handful of huge corporations is not reduced or eliminated, as is sometimes urged, by the wide public distribution of their securities. The mere number of security holders gives little clue to the size of their individual holdings or to their actual ability to have a voice in the management. In fact, the concentration of stock ownership of corporations in the hands of a tiny minority of the population matches the concentration of corporate assets.

Nineteen hundred and twenty-nine was a banner year for distribution of stock ownership.

But in that year—

Three-tenths of 1 percent of our population received 78 percent of the dividends reported by individuals. This has roughly the same effect as if, out of every 300 persons in our population, 1 person received 78 cents out of every dollar of corporate dividends, while the other 299 persons divided up the other 22 cents between them.

The effect of this concentration is reflected in the distribution of national income.

A recent study by the National Resources Committee shows that in 1935-36—

Forty-seven percent of all American families and single individuals living alone had incomes of less than \$1,000 for the year.

And at the other end of the ladder a little less than 1½ percent of the Nation's families received incomes which in dollars and cents reached the same total as the incomes of the 47 percent at the bottom.

Furthermore, to drive the point home, the Bureau of Internal Revenue reports that estate-tax returns in 1936 show that—

Thirty-three percent of the property which was passed by inheritance was found in only 4 percent of all the reporting estates. (And the figures of concentration would be far more impressive if we included all the smaller estates which, under the law, do not have to report.)

We believe in a way of living in which political democracy and free private enterprise for profit should serve and protect each other—to insure a maximum of human liberty not for a few but for all.

It has been well said that the freest government, if it could exist, would not be long acceptable, if the tendency of the laws were to create a rapid accumulation of property in few hands and to render the great mass of the population dependent and penniless.

Today many Americans ask the uneasy question: Is the vociferation that our liberties are in danger justified by the facts?

Today's answer on the part of average men and women in every part of the country is far more accurate than it would have been in 1929 for the very simple reason that during the past 9 years we have been doing a lot of common sense thinking. Their answer is that if there is that danger it comes from that concentrated private economic power which is struggling so hard to master our democratic Government. It will not come as some—by no means all—of the possessors of that private power would make the people believe—from our democratic Government itself.

#### II. FINANCIAL CONTROL OVER INDUSTRY

Even these statistics I have cited do not measure the actual degree of concentration of control over American industry.

Close financial control, through interlocking spheres of influence over channels of investment and through the use of financial devices like holding companies and strategic minority interests, creates close control of the business policies of enterprises which masquerade as independent units.

That heavy hand of integrated financial and management control lies upon large and strategic areas of American industry. The small-business man is unfortunately being driven into a less and less independent position in American life. You and I must admit that.

Private enterprise is ceasing to be free enterprise and is becoming a cluster of private collectivism, masking itself as a system of free enterprise after the American model, it is in fact becoming a concealed cartel system after the European model.

We all want efficient industrial growth and the advantages of mass production. No one suggests that we return to the hand loom or hand forge. A series of processes involved in turning out a given manufactured product may well require one or more huge mass-production plants. Modern efficiency may call for this. But modern efficient mass production is not furthered by a central control which destroys competition between industrial plants each capable of efficient mass production while operating as separate units. Industrial efficiency does not have to mean industrial empire building.

And industrial empire building, unfortunately, has evolved into banker control of industry. We oppose that.

Such control does not offer safety for the investing public. Investment judgment requires the disinterested appraisal of other people's management. It becomes blurred and distorted if it is combined with the conflicting duty of controlling the management it is supposed to judge.

Interlocking financial controls have taken from American business much of its traditional virility, independence, adaptability, and daring without compensating advantages. They have not given the stability they promised.

Business enterprise needs new vitality and the flexibility that comes from the diversified efforts, independent judgments, and vibrant energies of thousands upon thousands of independent businessmen.

The individual must be encouraged to exercise his own judgment and to venture his own small savings, not in stock gambling but in new enterprise investment. Men will dare to compete against men but not against giants.

#### III. THE DECLINE OF COMPETITION AND ITS EFFECTS ON EMPLOYMENT

In output per man or machine, we are the most efficient industrial nation on earth.

In the matter of complete mutual employment of capital and labor we are among the least efficient.

Our difficulties of employing labor and capital are not new. We have had them since good free land gave out in the West at the turn of the century. They were old before we undertook changes in our tax policy or in our labor and social legislation. They were caused not by this legislation but by the same forces which caused the legislation. The problem of bringing idle men and idle money together will not be solved by abandoning the forward steps we have taken to adjust the burdens of taxation more fairly and to attain social justice and security.

If you believe with me in private initiative, you must acknowledge the right of well-managed small business to expect to make reasonable profits. You must admit that the destruction of this opportunity follows concentration of control of any given industry into a small number of dominating corporations.

One of the primary causes of our present difficulties lies in the disappearance of price competition in many industrial fields, particularly in basic manufacture where concentrated economic power is most evident, and where rigid prices and fluctuating pay rolls are general.

Managed industrial prices mean fewer jobs. It is no accident that in industries like cement and steel where prices have remained firm in the face of a falling demand pay rolls have shrunk as much as 40 and 50 percent in recent months. Nor is it mere chance that in most competitive industries where prices adjust themselves quickly to falling demand, pay rolls and employment have been far better maintained. By prices we mean, of course, the prices of the finished articles and not the wages paid to workers.



When prices are privately managed at levels above those which would be determined by free competition, everybody pays.

The contractor pays more for materials; the home builder pays more for his house; the tenant pays more rent; and the worker pays in lost work.

Even the Government itself is unable, in a large range of materials, to obtain competitive bids. It is repeatedly confronted with bids identical to the last cent.

Our housing shortage is a perfect example of how ability to control prices interferes with the ability of private enterprise to fill the needs of the community and provide employment for capital and labor.

On the other hand we have some lines of business, large and small, which are genuinely competitive. Often these competitive industries must buy their basic products from monopolistic industry, thus losing, and causing the public to lose, a large part of the benefit of their own competitive policy. Furthermore, in times of recession, the practices of monopolistic industries make it difficult for business or agriculture, which is competitive and which does not curtail production below normal needs, to find a market for its goods even at reduced prices. For at such times a large number of customers of agriculture and competitive industry are being thrown out of work by those noncompetitive industries which choose to hold their prices rather than to move their goods and to employ their workers.

If private enterprise left to its own devices becomes half regimented and half competitive, half slave and half free, as it is today, it obviously cannot adjust itself to meet the needs and the demands of the country.

Most complaints for violations of the antitrust laws are made by businessmen against other businessmen. Even the most monopolistic businessman disapproves of all monopolies but his own. We may smile at this as being just an example of human nature, but we cannot laugh away the fact that the combined effect of the monopolistic controls which each business group imposes for its own benefit inevitably destroys the buying power of the Nation as a whole.

#### IV. COMPETITION DOES NOT MEAN EXPLOITATION

Competition, of course, like all other good things, can be carried to excess. Competition should not extend to fields where it has demonstrably bad social and economic consequences. The exploitation of child labor, the chiseling of workers' wages, the stretching of workers' hours, are not necessary, fair, or proper methods of competition. I have consistently urged a Federal wage and hour bill to take the minimum decencies of life for the working man and woman out of the field of competition.

It is, of course, necessary to operate the competitive system of free enterprise intelligently. In gaging the market for their wares, businessmen, like the farmers, should be given all possible information by Government and by their own associations so that they may act with knowledge and not on impulse. Serious problems of temporary overproduction can and should be avoided by disseminating information that will discourage the production of more goods than the current markets can possibly absorb or the accumulation of dangerously large inventories for which there is no obvious need.

It is, of course, necessary to encourage rises in the level of those competitive prices, such as agricultural prices, which must rise to put our price structure into more workable balance and make the debt burden more tolerable. Many such competitive prices are now too low.

It may at times be necessary to give special treatment to chronically sick industries which have deteriorated too far for natural revival, especially those which have a public or quasi-public character.

But generally over the field of industry and finance we must revive and strengthen competition if we wish to preserve and make workable our traditional system of free private enterprise.

The justification of private profit is private risk. We cannot safely make America safe for the businessman who does not want to take the burdens and risks of being a businessman.

#### V. THE CHOICE BEFORE US

Examination of methods of conducting and controlling private enterprise which keep it from furnishing jobs or income or opportunity for one-third of the population is long overdue on the part of those who sincerely want to preserve the system of private enterprise for profit.

No people, least of all a democratic people, will be content to go without work or to accept some standard of living which obviously and woefully falls short of their capacity to produce. No people, least of all a people with our traditions of personal liberty, will endure the slow erosion of opportunity for the common man, the oppressive sense of helplessness under the domination of a few, which are overshadowing our whole economic life.

A discerning magazine of business has editorially pointed out that big business collectivism in industry compels an ultimate collectivism in government.

The power of a few to manage the economic life of the Nation must be diffused among the many or be transferred to the public and its democratically responsible government. If prices are to be managed and administered, if the Nation's business is to be allotted by plan and not by competition, that power should not be vested in any private group or cartel, however benevolent its professions profess to be.

Those people, in and out of the halls of government, who encourage the growing restriction of competition either by active efforts or by passive resistance to sincere attempts to change the trend, are shouldering a terrific responsibility. Consciously or unconsciously they are working for centralized business and financial control. Consciously or unconsciously they are therefore either working for control of the Government itself by business and finance, or the other alternative—a growing concentration of public power in the Government to cope with such concentration of private power.

The enforcement of free competition is the least regulation business can expect.

#### VI. A PROGRAM

The traditional approach to the problems I have discussed has been through the antitrust laws. That approach we do not propose to abandon. On the contrary, although we must recognize the inadequacies of the existing laws, we seek to enforce them so that the public shall not be deprived of such protection as they afford. To enforce them properly requires thorough investigation not only to discover such violations as may exist but to avoid hit-and-miss prosecutions harmful to business and government alike. To provide for the proper and fair enforcement of the existing antitrust laws I shall submit, through the Budget, recommendations for a deficiency appropriation of \$200,000 for the Department of Justice.

But the existing antitrust laws are inadequate—most importantly because of new financial economic conditions with which they are powerless to cope.

The Sherman Act was passed nearly 40 years ago. The Clayton and Federal Trade Commission Acts were passed over 20 years ago. We have had considerable experience under those acts. In the meantime we have had a chance to observe the practical operation of large-scale industry and to learn many things about the competitive system which we did not know in those days.

We have witnessed the merging out of effective competition in many fields of enterprise. We have learned that the so-called competitive system works differently in an industry where there are many independent units, from the way it works in an industry where a few large producers dominate the market.

We have also learned that a realistic system of business regulation has to reach more than consciously immoral acts. The community is interested in economic results. It must be protected from economic as well as moral wrongs. We must find practical controls over blind economic forces as well as over blindly selfish men.

Government can deal and should deal with blindly selfish men. But that is a comparatively small part—the easier part—of our problem. The larger, more important, and more difficult part of our problem is to deal with men who

are not selfish and who are good citizens, but who cannot see the social and economic consequences of their actions in a modern economically interdependent community. They fail to grasp the significance of some of our most vital social and economic problems because they see them only in the light of their own personal experience and not in perspective with the experience of other men and other industries. They, therefore, fail to see these problems for the Nation as a whole.

To meet the situation I have described, there should be a thorough study of the concentration of economic power in American industry and the effect of that concentration upon the decline of competition. There should be an examination of the existing price system and the price policies of industry to determine their effect upon the general level of trade, upon employment, upon long-term profits, and upon consumption. The study should not be confined to the traditional antitrust field. The effects of tax, patent, and other Government policies cannot be ignored.

The study should be comprehensive and adequately financed. I recommend an appropriation of not less than \$500,000 for the conduct of such comprehensive study by the Federal Trade Commission, the Department of Justice, the Securities and Exchange Commission, and such other agencies of government as have special experience in various phases of the inquiry.

I enumerate some of the items that should be embraced in the proposed study. The items are not intended to be all inclusive. One or two of the items, such as bank holding companies and investment trusts, have already been the subject of special study, and legislation concerning these need not be delayed.

(1) Improvement of antitrust procedure: A revision of the existing antitrust laws should make them susceptible of practical enforcement by casting upon those charged with violations the burden of proving facts peculiarly within their knowledge. Proof by the Government of identical bids, uniform price increases, price leadership, higher domestic than export prices, or other specified price rigidities might be accepted as prima facie evidence of unlawful actions.

The Department of Justice and the Federal Trade Commission should be given more adequate and effective power to investigate whenever there is reason to believe that conditions exist or practices prevail which violate the provisions or defeat the objectives of the antitrust laws. If investigation reveals border-line cases where legitimate cooperative efforts to eliminate socially and economically harmful methods of competition in particular industries are thwarted by fear of possible technical violations of the antitrust laws, remedial legislation should be considered.

As a really effective deterrent to personal wrongdoing, I would suggest that where a corporation is enjoined from violating the law, the court might be empowered to enjoin the corporation for a specified period of time from giving any remunerative employment or any official position to any person who has been found to bear a responsibility for the wrongful corporate action.

As a further deterrent to corporate wrongdoing the Government might well be authorized to withhold Government purchases from companies guilty of unfair or monopolistic practice.

(2) Mergers and interlocking relationship: More rigid scrutiny through the Federal Trade Commission and the Securities and Exchange Commission of corporate mergers, consolidations, and acquisitions than that now provided by the Clayton Act to prevent their consummation when not clearly in the public interest; more effective methods for breaking up interlocking relationships and like devices for bestowing business by favor.

(3) Financial controls: The operations of financial institutions should be directed to serve the interests of independent business and restricted against abuses which promote concentrations of power over American industry.

(a) Investment trusts: Investment trusts should be brought under strict control to insure their operations in the

interests of their investors rather than their managers. The Securities and Exchange Commission is to make a report to Congress on the results of a comprehensive study of investment trusts and their operations which it has carried on for nearly 2 years. The investment trust, like the holding company, puts huge aggregations of the capital of the public at the direction of a few managers. Unless properly restricted, it has potentialities of abuse second only to the holding company as a device for the further centralization of control over American industry and American finance.

The tremendous investment funds controlled by our great insurance companies have a certain kinship to investment trusts, in that these companies invest as trustees the savings of millions of our people. The Securities and Exchange Commission should be authorized to make an investigation of the facts relating to these investments, with particular relation to their use as an instrument of economic power.

(b) Bank holding companies: It is hardly necessary to point out the great economic power that might be wielded by a group which may succeed in acquiring domination over banking resources in any considerable area of the country. That power becomes particularly dangerous when it is exercised from a distance, and notably so when effective control is maintained without the responsibilities of complete ownership.

We have seen the multiplied evils which have arisen from the holding-company system in the case of public utilities, where a small minority ownership has been able to dominate a far-flung system.

We do not want those evils repeated in the banking field, and we should take steps now to see that they are not.

It is not a sufficient assurance against the future to say that no great evil has yet resulted from holding-company operations in this field. The possibilities of great harm are inherent in the situation.

I recommend that the Congress enact at this session legislation that will effectively control the operation of bank holding companies; prevent holding companies from acquiring control of any more banks, directly or indirectly; prevent banks controlled by holding companies from establishing any more branches; and make it illegal for a holding company, or any corporation or enterprise in which it is financially interested, to borrow from or sell securities to a bank in which it holds stock.

I recommend that this bank legislation make provision for the gradual separation of banks from holding-company control or ownership, allowing a reasonable time for this accomplishment—time enough for it to be done in an orderly manner and without causing inconvenience to communities served by holding-company banks.

(4) Trade associations: Supervision and effective publicity of the activities of trade associations, and a clarification and delineation of their legitimate spheres of activity which will enable them to combat unfair methods of competition but which will guard against their interference with legitimate competitive practices.

(5) Patent laws: Amendment of the patent laws to prevent their use to suppress inventions and to create industrial monopolies. Of course, such amendment should not deprive the inventor of his royalty rights, but, generally speaking, future patents might be made available for use by anyone upon payment of appropriate royalties. Open patent pools have voluntarily been put into effect in a number of important industries with wholesome results.

(6) Tax correctives: Tax policies should be devised to give affirmative encouragement to competitive enterprise.

Attention might be directed to increasing the intercorporate dividend tax to discourage holding companies and to further graduating the corporation income tax according to size. The graduated tax need not be so high as to make bigness impracticable, but might be high enough to make bigness demonstrate its alleged superior efficiency.

We have heard much about the undistributed-profits tax. When it was enacted 2 years ago, its objective was known to



be closely related to the problem of concentrated economic power and a free capital market.

Its purpose was not only to prevent individuals whose incomes were taxable in the higher surtax brackets from escaping personal income taxes by letting their profits be accumulated as corporate surplus. Its purpose was also to encourage the distribution of corporate profits so that the individual recipients could freely determine where they would reinvest in a free capital market.

It is true that the form of the 1936 tax worked a hardship on many of the smaller corporations. Many months ago I recommended that these inequities be removed.

But in the process of the removal of inequities we must not lose sight of original objectives. Obviously the Nation must have some deterrent against special privileges enjoyed by an exceedingly small group of individuals under the form of the laws prior to 1936, whether such deterrent take the form of an undistributed-profits tax or some other equally or more efficient method; and obviously an undistributed-profits tax has a real value in working against a further concentration of economic power and in favor of a freer capital market.

(7) Bureau of Industrial Economics: Creation of a Bureau of Industrial Economics which should be endowed with adequate powers to supplement and supervise the collection of industrial statistics by trade associations. Such a bureau should perform for businessmen functions similar to those performed for the farmers by the Bureau of Agricultural Economics.

It should disseminate current statistical and other information regarding market conditions and be in a position to warn against the dangers of temporary overproduction and excessive inventories as well as against the dangers of shortages and bottle neck conditions and to encourage the maintenance of orderly markets. It should study trade fluctuations, credit facilities, and other conditions which affect the welfare of the average businessman. It should be able to help small-business men to keep themselves as well informed about trade conditions as their big competitors.

No man of good faith will misinterpret these proposals. They derive from the oldest American traditions. Concentration of economic power in the few and the resulting unemployment of labor and capital are inescapable problems for a modern "private enterprise" democracy. I do not believe that we are so lacking in stability that we will lose faith in our own way of living just because we seek to find out how to make that way of living work more effectively.

This program should appeal to the honest common sense of every independent businessman interested primarily in running his own business at a profit rather than in controlling the business of other men.

It is not intended as the beginning of any ill-considered trust-busting activity which lacks proper consideration for economic results.

It is a program to preserve private enterprise for profit by keeping it free enough to be able to utilize all our resources of capital and labor at a profit.

It is a program whose basic purpose is to stop the progress of collectivism in business and turn business back to the democratic competitive order.

It is a program whose basic thesis is not that the system of free private enterprise for profit has failed in this generation, but that it has not yet been tried.

Once it is realized that business monopoly in America paralyzes the system of free enterprise on which it is grafted, and is as fatal to those who manipulate it as to the people who suffer beneath its impositions, action by the Government to eliminate these artificial restraints will be welcomed by industry throughout the Nation.

For idle factories and idle workers profit no man.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, April 29, 1938.

Mr. BARKLEY. Mr. President, in view of the importance of the subject covered in the President's message, I ask unanimous consent that it be printed as a Senate document.

The PRESIDENT pro tempore. Without objection, it is so ordered.

#### NAVAL EXPANSION PROGRAM

The Senate resumed the consideration of the bill (H. R. 9218) to establish the composition of the United States Navy, to authorize the construction of certain naval vessels, and for other purposes.

Mr. WALSH. Mr. President, I do not know that it is necessary for the chairman of the Naval Affairs Committee to make a public statement of his attitude toward war; but I do not know any better way to commence the discussion this afternoon than to ask to have read at the desk an article from a monthly religious periodical called *Light*. The article was written by Edward Lodge Curran, Ph. D., and is entitled "Keep Out of War." The article so admirably expresses my sentiments and what I believe to be the sentiments of the American people that I think it appropriate that it now be read.

The PRESIDENT pro tempore. Without objection, the article will be read.

The legislative clerk read the article, as follows:

[From *Light* for April 1938]

LET THERE BE LIGHT

(By Edward Lodge Curran, Ph. D.)

#### KEEP OUT OF WAR

There is one project in which every American citizen, irrespective of race, color, or creed, can actively participate. The United States must be kept out of war.

There is no reason for the United States to go to war. There is no reason why the United States should participate in any future European or Asian struggle.

Were the United States threatened by actual invasion the editor of these pages would be the first to sound the call for the patriotic defense of our country. Adequate preparedness and the knowledge that we Americans are ready to defend our country either from foreign invasion or from internal uprisings will guarantee peace and encourage the return of prosperity.

There are only a few groups in the United States who are interested in plunging our country into some future European or Asiatic struggle. The munition makers, of course, would not be averse to our appearance in a world war. Their interest is material and personal and selfish. Their propaganda is subtle and their efforts are hidden behind honeyed words of "collective security" and "parallel action" and "regional guarantees."

The only other group in the United States anxious for war are the international propagandists. The minority section of these propagandists are from the right. They believe that the United States must rush to arms any time the prestige or power of the British Empire is threatened. They forget that there was an American Revolution, that there was a War of 1812, and that the United States Government does not exist for the preservation of the British Empire.

The majority section of these international propagandists are from the left. They believe that American democracy should be sacrificed for the defense of the Soviet Union, where no civil liberties exist, where militant atheism has its headquarters, and where democracy has never been permitted to raise its head. The Soviet constitution is the absolute denial of democracy.

This group would sacrifice the peace of the United States for defense of Russia and for the progress of communism in America. They are the group that endorsed the appeal which Stalin recently made to the workers of the world, commanding them to prepare for the defense of the Soviet Union.

Their policy is quite visible. Since the Soviet Union is threatened by Japan the United States must be drawn into an Asiatic struggle against Japan. Since the Soviet Union is threatened by Germany the United States must be drawn into a European struggle against Germany.

Real Americans will have nothing to do with the message of the international propagandists. The scars of the last World War are still upon us. We have nothing to gain and everything to lose by participation in another world war. In fact, another world war is exactly what the communistic enemies of our country desire. They hope to turn any war into an internal struggle by means of which communism may seize control of the Government. That was the teaching of Lenin. War between nations, he said, was the best way of advancing the cause of communism.

No American, Catholic, or Protestant, or Jew should play into the hands of munition makers or of foreign propagandists. Real Americans will remember the results of the last war. Real Americans will remember the paganism of the peace treaties of Versailles and the repudiation of their war debts to us by some of the very nations whose propagandists are working so earnestly in Washington in order to betray the United States once again on the altar of Mars.

Every American should repeat the slogan "We want no war" a thousand times a day. The youth of America must be trained to repeat this slogan. The Congress of America must be acquainted with the ever-increasing number of Americans who demand that our representatives keep us out of war.

The United States should dedicate itself to the cause of social justice. It should not be tricked into European politics by the siren call of "collective security." The modern doctrine of "collective security," begotten for selfish and nationalistic reasons in the capitals of Europe, is the negation of George Washington's warning against "entangling alliances."

Solidarity between all American citizens for the cause of peace and social justice in the United States, and not entangling alliances with Europe or Asia, is the cause to which every American citizen must dedicate himself. The cause of peace throughout the world can be best served by serving the cause of peace in the United States. The united voice of all American citizens must sound in the ears of Washington: "Keep us out of war."

Mr. WALSH. Mr. President, the pending bill has no relationship to the question of peace except to the extent that a strong national defense may be the means of securing peace. Certainly, those who are in favor of the bill are not disposed to encourage war but, on the contrary, are militantly opposed to war and in favor of peace.

For several days we have been listening to the opposition to this measure. An opportunity now presents itself for me, representing the committee which reported the bill, to reply to some of the arguments which have been advanced in opposition to the pending measure.

Mr. President, not a Senator who has spoken in opposition to the bill has taken any position other than this: "I am in favor of a navy. I am opposed to a weak navy." Every Senator has said that, directly or indirectly; but he invariably adds, inferentially, "I want the kind of a navy I think is adequate."

Briefly and concisely stated, is not that the position of those Senators who have spoken in opposition to the bill—that we should have not the kind of a navy the experts of our country think is wise, not the kind of a navy the Naval Affairs Committee thinks is wise, not the kind of a navy the President of the United States thinks is wise, but the kind of a navy each Senator personally thinks would protect our country?

Has any Senator claimed on this floor, or will any Senator make the claim, that our Navy is strong enough, is powerful enough, is efficient enough to meet any naval crisis with which our country may be confronted?

Mr. CLARK. Mr. President, will the Senator yield?

Mr. WALSH. Not at this time.

Mr. CLARK. I understood the Senator to make some kind of a challenge for any Senator to rise and make a certain claim. I shall be pleased to accept the challenge of the Senator if he will yield.

Mr. WALSH. I will be glad to yield later when I have finished a preliminary statement. I was stating—and, I think, plainly—what I think a vote on this measure means. In my opinion, a vote against the measure means a commitment to a policy in opposition to the United States Government maintaining the 5-5-3 naval ratio. Anyone in this Chamber who believes, as some citizens who appeared before our committee testified, that Japan is entitled to as large a navy as we have, should vote against the bill. Any Senator on this floor who thinks that Great Britain should have a larger navy than we should vote against the bill. Any Senator who thinks that, after all, the disarmament conference results were abandoned on the 31st day of December 1936, and that we ought to do nothing except let our Navy deteriorate, should vote against the bill.

Anyone who believes that all we need is a police navy, to patrol up and down our coast, should vote against the bill. Anyone who has a vague definition of what constitutes a defense navy should vote against the bill. A defense navy is the kind of a navy which is strong enough to repel and destroy any enemy which attacks our country or our vital interests. That is what a defense navy is. Any other kind of a navy is a police-patrol navy.

Mr. President, let us see what the real question is. This is not a bill to appropriate a dollar for the building of a single, solitary additional naval vessel. This is a bill to announce a naval program to the world in opposition to a national attitude of doing nothing, of refraining from any declaration of what our future naval program is to be.

We have had a naval policy since 1922. Up to December 31, 1936, that policy was defined by naval-limitation treaties

entered into, agreed to, and signed by the big naval powers. Those naval treaties expired on the 31st day of December 1936.

Now, I ask, what was the duty of the President of the United States from that day on? What was the duty of the naval authorities from that day on? What was their obligation to us as Members of the Congress and to the American people? Was it their duty to throw up their hands and say, "It is all over. Naval limitation is over. We are going to do nothing but drift along, let the Navy deteriorate, have no definite policy, laissez faire?"

It was the obligation of the Chief Executive of this country, it was the obligation of the naval authorities of this country immediately to plan a naval program for our country; they have been working on that program from the 31st day of December 1936 to this hour, and this bill is that program, an announcement to the world that the United States of America proposes to build and maintain a navy which approaches the 5-5-3 ratio agreed upon by the great powers under solemn agreement entered into following the World War.

The first lines in the bill describe the bill, namely, to establish "the composition of the United States Navy." From now on we intend and propose to establish the composition of our Navy along the lines indicated in the bill, with the hope and expectation that we may maintain or build a navy up to the 5-5-3 ratio, or at least approaching it.

I inquire, what was the alternative? The alternative was to do nothing, to go on from year to year taking a chance on what might develop in the world, planning no naval objective for ourselves, announcing no naval program to the world, giving no idea of what our policy was to be in this matter of national defense.

I think wisely, and I think to the credit of the naval authorities and of the President of the United States, they felt it their solemn duty to point out to the American people what has happened in the world since December 31, 1936, to point out the increase in naval armaments that has taken place in every country in the world, to point out the rapidity with which Great Britain and Japan and the other countries, Germany, Italy, and France, were increasing their naval armaments.

Of course, we do not need to accept this program, we do not need to announce what our policy is, what the President of the United States and the naval authorities have agreed is sound and safe for the American people, for American interests, for American security, unless we choose to do so. We can abandon it. We can go along from year to year waiting for an appropriation bill to come in, to decide whether we will build two, three, or four submarines, cruisers, battleships, destroyers, or what we may build. But it seems to me that it is in the interest of world peace, it is in the interest of limitation of naval armaments, to say to these nations which have been referred to on this floor as having abandoned all moral concepts of their relationship one to the other, it seems to me it is to the interest of justice and of peace for the American Government to say, "We are not going to engage in any mad naval race; we are not going to try to outmatch and outdo the other nations in their efforts to build up great navies; we are going to adhere to the peaceful arrangement we made with other nations, when not one of us was thinking of war, the 5-5-3 ratio."

Mr. President, that is all this bill does. It is an announcement to the world that the composition of our Navy in the future is to be based upon an attempt by our country to reach a naval strength relationship with Great Britain of approximately 5 to 5 and with Japan of 5 to 3.

There is a criticism of this measure which might well be raised, that is, that while we are proclaiming an attempt to approach the 5-5-3 ratio, we are as a matter of fact doing far less. We are approaching it, we are moving in that direction, but even after 10 years, when this program shall be completed, even if Great Britain and Japan never build another vessel, we will then be much below the 5-5-3 ratio. If we built immediately, if it were humanly possible to build this 20-percent increase in our Navy at the present time,



over night, we would merely approach the 5-5-3 ratio and in the meantime Great Britain and Japan have 10 years ahead of them to increase their navies and leave us far in arrears of the 5-5-3 ratio.

Do not forget the issue. A vote against the bill is a vote to lessen the naval strength of this country below the 5-5 ratio with Great Britain and the 5-3 ratio with Japan. A vote against the bill is a vote to weaken, to handicap, the naval strength of our country.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. WALSH. I would rather not. I refused to yield to the Senator from Missouri. I will be pleased to yield later.

I wish to repeat, on every platform in the United States the man who votes for the bill, when challenged will be able to say to his constituents, "I tried to maintain a navy in defense of my country that approached the peacetime ratio of 5-5-3."

Those who vote against this bill will be properly charged with an abandonment of the 5-5-3 ratio. I can well understand that those who believe that all we need in this country is something in the nature of a police navy to go up and down to police our shores, never prepared to engage in war, can properly take that position. I make no criticism. But I feel it my duty to make the issue clear and definite.

Something has been said in debate about the Vinson-Trammell Act. There is no need of going back in detail to past history. As I said before, from 1922 to 1936 we had a policy clear and defined to try and build up our Navy to the ratio that Britain, that France, that Italy, and Japan, and our own country agreed in peacetimes—in peacetimes, mind you—was a source of protection to each country and was likely to promote international peace and good will. That was accepted by us and agreed to by us. As time passed we fell so far behind the 5-5-3 ratio that the present President of the United States in 1934 called Congress' attention to the fact that we were gradually and steadily slipping far behind that ratio, and asked for the enactment of the bill known now as the Vinson-Trammell bill. The Vinson-Trammell bill contained two important provisions. First, it authorized the replacement of all obsolete naval vessels as they became obsolete. Second, it authorized the construction of new naval vessels that would bring our naval tonnage up to the strength of the 5-5-3 ratio.

A good deal has been said on the floor of the Senate about that bill being a \$4,000,000,000 bill. The estimated replacement value of the United States Navy is \$4,000,000,000. If we pass an authorization bill which permits each vessel when it becomes obsolete to be rebuilt, it is, of course, ultimately, over a period of 20 years, a \$4,000,000,000 bill. The terms fixed in that bill in which vessels would become obsolete, were in the case of capital ships 20 years, in the case of cruisers 16 years, in the case of submarines 13 years. That has been changed by the London Treaty of 1936 so that the obsolescence under this bill which has been reported now, comes, in the case of capital ships, in 26 years.

The estimated cost of the new vessels required at the time the Vinson-Trammell bill was enacted was \$86,000,000. The additional cost was for vessels to replace those that were obsolete. The Senator from Michigan [Mr. VANDENBERG] asked me that question in the early part of the debate and I could not for the moment give him that information. Therefore, from the standpoint of additional new construction, the cost of the Vinson-Trammell bill was \$86,000,000, if we spent all we authorized. Just as the authorization in this bill is for \$1,100,000,000, if we choose to build all the vessels provided for in this bill.

As a matter of fact, we have spent only \$245,736,000 so far for new vessels and replacements under the authority granted by the Vinson-Trammell measure. We have obligated ourselves to spend an additional \$366,137,000 to complete these vessels, making a total of \$611,729,000. We have spent this large sum because we have been building vessels to take the place of obsolete vessels, but in the matter of additional new construction, in the number of new vessels, in the increase in tonnage since the enactment of the act, that tonnage represents the expenditure of \$86,000,000.

Mr. President, it has been said on the floor of the Senate that we ought to build all ships authorized under the Vinson-Trammell Act before we authorize any new vessels. The adoption of the Vinson-Trammell Act defined a naval policy that would permit an orderly building program for the future. The report on that bill stated:

Such a building program will not only be more economical but also it will contribute to better designs, better workmanship, less disruption of industry, and will keep the national defense on a higher level than is possible under old wasteful methods of building a navy by alternate spasms of intense activity and practically complete idleness.

The President and the Navy Department have carried out the mandate of the Congress and in the past 4 years, namely, from 1934 to 1938, inclusive, have recommended the construction of approximately 15 to 20 ships each year. It is proposed to continue this program and replace obsolete ships with ships of modern design and construction, so as to keep our Navy modern and up to date at all times.

We could, of course, build many more ships immediately in certain categories of vessels to replace ships that are now obsolete, but this would unbalance our Navy. What we need and what the President, in his recommendations to the Congress, is trying to provide for us is a strong, well-balanced Navy, consisting of battleships, cruisers, aircraft carriers, destroyers, submarines, and aircraft of modern design and construction.

Mr. President, the naval authorities of this country have been giving consideration to the building programs of other nations. They have waited from December 31, 1936, until January of this year before giving us their recommendations. They have now decided that the least we can do to maintain a defensive navy that will give us assurance of security, in view of what the other nations are doing, is an authorization of a navy that is a 20-percent increase over our present Navy, including the authorization under the Vinson-Trammell Act. This increased Navy, in their opinion and in the opinion of the committee, will be sufficient to provide for an adequate defense to America, provided the foreign nations do not expand their navies beyond what we now believe they are doing. The 46 new vessels authorized in this act, in addition to the vessels that we now have, will not be sufficiently strong to make certain our success in case of foreign attack, but it is believed to be sufficient to provide reasonable assurance that we will not be attacked.

Mr. President, that is practically the whole story about this bill. Do we want a program, in view of what we know with respect to the sizes of the different navies of the world? The tables are before us—tables showing our strength as against that of Great Britain and Japan. The tables will show what will be our strength 10 years from now, even if Japan or Great Britain do not build another ship. I stress that. Even if Great Britain and Japan never build another naval vessel, and we build all those heretofore authorized, including those authorized in this bill, we will not be on a 5-5 ratio with Great Britain and a 5-3 ratio with Japan.

What is wrong or radical or unsound about an announcement to the world that the United States of America intends to maintain a navy of sufficient strength to have her people and her resources protected in times of danger, to have her honor and her dignity and her power and her democracy respected throughout the world? What is there hostile to world peace for the United States of America to declare, "We propose to maintain only that size navy which approaches the largest navy in the world?" We are even willing to take second place—we, in material resources, the richest among the great powers. All we ask and all we say is, "Here is our program, the composition of our Navy. Stop your mad race. Come together and take part in the pious gesture," which my distinguished friend the Senator from Michigan referred to in respect to one of the sections of this bill, and try to limit our naval armaments.

Mr. President, in my opinion this bill will do more than anything else to stop the mad rush for naval armament throughout the world. It is a reasonable position for us to take—far, far from extreme or belligerent. It is merely a naval program that our experts inform us is most likely to

prevent a military ambitious potential enemy from attacking us.

In this bill is an invitation to the world to pause and think; an invitation for another naval conference. In it we say to the world, "You may go on with your building if you will, but we do not propose to outmatch you. We do not propose to race with you. On the other hand, we do not propose to deteriorate. We do not propose to become insignificant. We do not propose to become a naval power that you will not respect."

Mr. President, a defense navy is a navy which every nation in the world respects because of its efficiency, because of its modernism, because of its power, and because of the seamanship and military knowledge of the men who man our ships. A defense navy is not only a navy which is respected in time of peace but a navy which is feared in time of war.

I was tremendously impressed with what one witness said to our committee. Years after the World War Lloyd George, sitting in his home in England, pointed out to this distinguished American the folly of the United States of America in not taking precautions to keep out of the World War; and when Lloyd George was asked what we should have done he said that if the United States had built up its Navy during 1914, 1915, 1916, and 1917 to a powerful strength, not one of the belligerent countries—Great Britain, Germany, or any other—would have attempted or dared to tamper with its vessels or interfere with its commerce or mail.

I believe he was right. I believe that millions or billions spent on our Navy at that time would have saved human lives in America, would have saved suffering, sorrow, grief, and hardships, and the terrible burdens on the backs of the American people which they have borne and must bear for generations to come as a result of the World War.

Mr. President, I sincerely believe, that if we build up our Navy now we can keep out of the next great war, if a great war is inevitable. With a powerful navy we can save human lives in America; we can save suffering, grief, and hardship. We need not be drawn into any war and fasten on the American people, for generations to come, the expenses incident to such a war. A powerful navy, I believe, will keep any war away from our shores and it will deter any aggressor nations from interfering with our rights and our liberties.

Mr. President, it is said we have no enemies, that no one is going to attack us. What God-given prerogative of security and safety have we above other people? Do you not think little Ethiopia and struggling, bleeding China have had their hours of security and safety? Yet war came to them. Who in America in 1914, in 1915, or in the fall of 1916, when the slogan from one end of the country to the other was "He kept us out of war," would have believed that within 6 months thereafter we should be engaged in the midst of a terrible and disastrous World War?

Anyone who reads history must come to the conclusion that war is like death. No man or woman knows when death will come or how it will come. The Biblical expression is to the effect that death comes like a thief in the night. It comes suddenly and unexpectedly. War, like death, comes unexpectedly. No man can predict when it will come, or how it will come, or under what circumstances it will come.

In my opinion, there never was in the hearts of the people of the United States a stronger sentiment against war than there is at this hour. I can hardly conceive of provocation sufficient to result in a majority vote in both Houses of the Congress in favor of war. In my opinion, scarcely anything less than threatened invasion would lead us into war at this time. That, however, does not justify us in not being prepared. Invasion means that the enemy has crossed the ocean and is at our shores. Invasion means the bombing of our cities and bringing the war to our homeland. Invasion is possible if we do not have a navy 500 or 1,500 miles at sea to say to an enemy, "Stop; you shall not pass. You shall not set foot upon the shore of the American Republic."

The function of a navy is like that of the fire department of a city. When a great conflagration comes, the fire de-

partment goes out to stop the conflagration. What about a fire department which can put out every fire in every building but one? Of what value is it? The fire department must be strong enough and efficient enough to attack the conflagration at the most important point of attack, where it is most serious and most dangerous.

Mr. President, I have spoken longer than I intended, and more earnestly than I intended. However, I desire to impress upon my fellow Senators the fact that this bill does not appropriate any money. It does not provide for building a single naval vessel. The bill, I repeat, contains two announcements to a world gone mad; so mad that when a note was sent by the Secretary of State to Japan making inquiry as to whether Japan was building battleships beyond 35,000 tons, she refused to give us any information; so mad that might and not justice is the national policy in most parts of the world.

Two provisions, peace and limitation of naval armaments, go together in this bill. Let us provide for a naval-agreement limitation, and a naval program and policy for the next 10 years.

Is any claim made anywhere that the proposed naval program, when carried out, will make our Navy the largest in the world? No. Is any claim made that it will make our Navy larger than that of Great Britain? No. Is any claim made that it will keep Japan on a 5-3 ratio? No; because even after the proposed construction is completed, Japan will be nearer equality with us than she is now.

How shall any Senator answer the question when some fellow citizen of his rises in a forum in his State and asks, "Did you vote against a naval authorization bill which did not appropriate any money, but which only declared a policy of trying to maintain a 5-5-3 ratio with the other powers?" What is the answer? Shall the answer be that that Senator is a pacifist? No. We are all for an adequate navy, and we are all against a weak navy. In God's name, who is going to tell us what is a weak navy, or what is a strong navy? Can we individually answer that question? My committee is not capable of answering it completely.

A solemn obligation is imposed upon my committee by our Government. We hear the evidence. We call the witnesses, and we cross-examine them. We try to keep down the appropriations. We try to limit the demands and the requirements. But in the last analysis the naval authorities, the naval experts, who know what is going on in the world, must present the needs and give us the expert knowledge that must be the basis of our judgment.

My good friend from North Dakota [Mr. Nye] said—and I was surprised to hear him say it—that, in his opinion, all our Navy probably needs are a few more submarines and some airplanes. I do not intend to be personal or to criticize. Another Senator says that all we need are a few more cruisers. Another Senator says that all we need are battleships, because they are the most powerful weapons of all. Again and again Senators have said that the airplane is the most important agency of defense. I cite these statements only to show where we should end, and what conclusion we should reach, if we relied upon each other's judgment as to what kind of a Navy we should have. I confess that I formerly held the viewpoint which some Senators have expressed as to the value of the airplane. But overwhelming evidence has satisfied me that it is a powerful and important combatant weapon, but does not and cannot displace a naval fleet.

During the debate much attention has been given to bombs, just as if there is in the United States Navy or in the United States Army a solitary officer among them all who would not come forward and tell us whether certain types of bombs are better than those the Army or Navy have been using. What an indictment it is of all the men to whom we are trusting our lives, our protection, and our property to accuse them even indirectly of failure to have a proper concept of the kind of bomb that would be most valuable and useful in the service of our Government in the event of war.

Let me talk plainly. If, Mr. President, you sat upon the Committee on Naval Affairs, you would agree with what I am about to say. I dislike to say it; but since I have been



chairman of the Committee on Naval Affairs I venture to say 90 out of a hundred suggestions which have come to me regarding patents, and new devices, and new schemes and new methods of defense have come from people who, to put it mildly, are somewhat overzealous about their particular scheme. I do not say all of them, but a large percentage of them might be put in that category.

Let me say in this connection that I have never known a naval officer who has refused to receive any person presenting himself with a suggestion or an idea that appeared to contain within it elements which would be helpful to our national defense. A naval officer would be unworthy of his position if he did not consider all such matters.

Mr. President, I know it is natural for me to see the best side of the Navy; it is natural for me, perhaps, to be prejudiced in favor of the Navy; it is natural for me to see the side that is most attractive and alluring in the officers of the Navy, and I ask the Senate to discount that attitude; but I tell the Senate that I have a tremendous respect for the officers of the Navy.

I had the distinction the other night, in company with some of my colleagues, of visiting the Naval Academy to hear extemporaneous speeches delivered by members of this year's graduating class. They were notified only the day before that they were to speak extemporaneously in an exercise held for the benefit of the Board of Visitors. There is not a college in the United States of America that could duplicate what I saw and heard.

There could hardly be a finer presentation of extemporaneous speaking in a perfectly unpretentious way. The manner in which the speeches were delivered, the mentality displayed, and the poise shown were astounding, and those who participated were not the leading members of the class.

"Ah," I said to myself, "I wish I had had the honor and distinction of naming every one of those boys to the Naval Academy." Unfortunately, none of them had been named by me. I could see in their faces, I could see in the manner and personality of those men future admirals of the United States. The training, the development, the type of men, their effort, their study of naval problems, their maneuvers at sea, the minuteness with which every single new suggestion is weighed, so far as naval science is concerned, must be a matter of pride to all. Who has made the Naval Academy the best institution in America? The Navy officers. The credit is theirs alone.

Now what do the experts say about airplanes? They are valuable; they are important, but they are only an auxiliary of the Navy, just as a destroyer is an auxiliary, just as a submarine is an auxiliary, just as a cruiser is an auxiliary. Airplanes are valuable; they are important; they are necessary; but without a naval fleet, since other governments have naval fleets, almost all the airplanes of which one can conceive would not provide an adequate defense.

While aircraft can provide valuable assistance they cannot take the place of a mobile fleet. They cannot protect our industrial centers and cities from aircraft attack from beyond the seas, if an enemy has control of the sea and maintains battleships and aircraft carriers upon the seas. They cannot prevent a war from being brought to our shores. They cannot bring the war to a successful conclusion. These facts have been illustrated with increasing positiveness throughout the war in Spain and throughout the war in China.

So I am convinced that, while the air service is of tremendous importance, of extreme value, and must be maintained, it is a secondary adjunct, more in the nature, as the Navy describes it, of an auxiliary force.

A good deal has been said about the battleship. The battleship is a floating fortress. The battleships of the United States of America are its most important weapons at sea. Even Great Britain does not need battleships so much as we do, because she has naval bases all over the world. A battleship is a naval base. A battleship can go out to sea, and, if properly protected, can be gone several months and maintain a base at sea without ever returning to port for

supplies. No other naval craft can do that. A battleship, when once it opens the attack upon the enemy, may be compared to thousands of troops in a land force, so gigantic are its guns, its rapidity of fire, its intensity of action, its whole power. That is why the battleship is hidden or screened. A battleship is given the greatest protection in a naval engagement. Destroyers may be sunk, cruisers may be sunk, submarines may be sunk, but every activity must be strained in order to keep the battleship in a position to fire its long-range, heavy guns into the very heart of the enemy fleet at the critical moment.

Whenever a new type of weapon is discovered many people believe that the new weapon will end the usefulness of battleships. In the Civil War, monitors were supposed to destroy or make obsolete the battleship. During the Spanish-American War torpedo boats assumed this new role. During the World War many persons felt that the submarine doomed the battleship. None of these new weapons have as yet made the battleship obsolete. At the present time many persons are of the opinion that aircraft has doomed the battleship. It is possible that in time aircraft may supplant battleships, but that time has not yet arrived.

As far as can be foreseen, the battleship is still the supreme embodiment of power.

It has been said that perhaps some naval officers are not disinterested; but upon whom else are we going to rely as advisers? When I assumed the duties of the Committee on Naval Affairs, a year and a half ago, I knew so little about naval problems that I had to rely upon them. Has not the Senate got to rely upon them? Can we substitute our judgment? For better or worse, have we not got to take their judgment—not necessarily as to the number of naval vessels but as to the strength of naval weapons, the efficacy of one gun as against another, the value of one kind of naval craft as against another kind? Have we not to depend upon these experts of our country, whose patriotism no one has questioned and whose efficiency no one doubts?

Mr. President, the United States Navy has a glorious record; its traditions are truly inspiring; but, in my opinion, we never had a navy with a better personnel and a more efficient body of officers and men than we now have. Senators would be amazed to know the large number of enlisted men of the Navy who are high-school graduates; they would be amazed to know the number of college men who have enlisted in the Navy. I have grieved to find, turning to the Marine Corps, that so few reenlist in the Marine Corps after their 4 years of splendid service have expired. Our marines have glorified the pages of American history wherever they have gone, but every enlisted man is almost obliged to get out at the end of 4 years. Why? Because there is no future ahead of him; there is very little prospect of promotion; advancement in pay is slow, no matter how long he may remain in the service. Fortunately, that is not so in the Navy. It is quite possible, by special training and education, for a man who enlists in the Navy at the small sum of \$21 a month, in time, by efficiency, becoming a warrant officer or a minor commissioned officer, and to reach a pay of \$125 to \$160 a month. That is not so in the Marine Corps.

In that corps the enlisted men start at \$21 a month, and very few of them are advanced to higher rank. A large majority receive but \$21 or \$33 per month.

Mr. President, I for one, opposing war, hating war, denouncing war, voting against war whenever the opportunity may come, unless I am overwhelmingly convinced that it is a war of invasion, see nothing but advantage to my country, see nothing but advantage to the world in this hour of uncertainty, of misunderstanding, of rivalries, of movements against democracies and democratic institutions all over the world, in making a declaration here and now in the present Congress in favor of the policy of maintaining a Navy that at least will be respected, a Navy that we hope in time of danger will be sufficiently powerful to protect our lives and property, a Navy that, while perhaps not the best in the world, not the largest in the world, not the strongest in the world, will still be sufficiently strong so that if some powerful

enemy shall attack us it will be able to hold off that enemy while we build up and strengthen our Navy, while we build up our Army and Reserve forces. We propose a Navy prepared to protect our lives and our property. That is all this naval-expansion bill provides for.

I hope the Senate will send to the world a message of peace, a message of good will, a message of hope for more and more naval-limitation agreements, a message of hatred against munition makers, with their damnable, insidious propaganda. I join my colleagues in denouncing them.

Mr. President, let us by our votes here declare for this reasonable and far from excessive composition of our Navy; that we do not propose to engage in any mad naval race; but that at least we purpose to have a navy not far inferior to any other, because of our position in the world and because of our priceless heritage that we must preserve for future generations.

Mr. BROWN of Michigan. Mr. President, I hope the distinguished Senator from Massachusetts [Mr. WALSH] will remain in the Chamber for a few moments, because I am going to say a few complimentary things about him.

I desire to say that in opposing his views here this afternoon I do so as a great admirer of the distinguished chairman of the Naval Affairs Committee. Of his patriotism, his ability, his integrity, and his character I could not speak too highly. He is one of the men in my party whom I should fully trust as the successor of the great American who today is at the head of this Nation. But, Mr. President, I do not think the fact that I disagree with the recommendations here made, that I disagree with the distinguished chairman of the Naval Affairs Committee, places me any lower in the ranks of patriots in this country than is he.

I am ready to consider, at least, whether or not we should maintain the 5-5-3 ratio. There is nothing sacred about those figures. Must we conclude that because the then Secretary of State, the present Chief Justice of the United States, determined for our people that that ratio was right and proper in the 1920's, we should forever cling to that basis?

Likewise, is it not time that we consider whether or not the battleship is the efficient fighting unit that the Senator from Massachusetts thinks it is? As he points out, the 5-5-3 treaty has now been abrogated. It has run out, so to speak. As my colleague [Mr. VANDENBERG] brought out in a colloquy with the Senator from Massachusetts, not much can be done until 1942 about putting this policy into effect. At least for a year or so, at least for a session or so, would it not be proper for us to consider whether or not the 5-5-3 ratio should be maintained, and whether or not dreadnoughts are the most efficient instruments of defense that we can construct?

In connection with what the Senator has said, I desire to say that preparedness has not always been an assurance of safety. No greater military implement was ever constructed than that built up by the German Kaiser in the years prior to 1914; but it did not save the German people. Every man who reads history understands that the German liberties were lost, and are lost today, because of the difficulties which arose out of that extreme military preparedness on the part of the German war lords, that was a prime factor in causing the World War.

I am one of those in the class described by the Senator from Massachusetts as not being opposed to a reasonably adequate navy; but I think it is the duty of the Senate of the United States to consider what is a reasonably adequate navy, and I desire very briefly to call attention to a little past history which sheds a good deal of light upon that subject.

As the report of the Naval Affairs Committee well says, this is a naval-expansion program. Boldly, openly, frankly, without deceit, the Naval Affairs Committee asks us to engage in a naval race with Great Britain, with Japan, and with every other naval power in the world. Is it necessary that we should do so?

I intend to approach that problem calmly and dispassionately. I do not yield to any Member of the Senate in my belief that we should do everything reasonably necessary for the defense of the United States. If I were a mem-

ber of the British Parliament, I believe I should be as earnest an advocate of heavy naval expenditures as is the Senator from Massachusetts; but I do not believe that situation exists in the United States. Contrary to what he said a few moments ago, I believe there are many reasons why we are not subject to the same dangers to which the British people or the French people or the German people are subject; and I intend to develop that thought.

I do not share the views of those who contend that Japan is about to engage in a tremendously expansive naval program sufficient to menace our shores—I choose those words advisedly—and I do not fear expansion on the part of the British Navy. I think expansion of their Navy would help us rather than hinder us. The financial condition of Japan, as well as that of the other principal powers of the world, is such that the carrying out of an extensive program is quite unlikely. There is considerable bluff in the position of these powers today. But even if Japan and other naval powers should engage in an extensive program of naval expansion, is it necessary that the United States Government should do so?

If our policy is one of defense and not of aggression—and I understand all authorities agree that it should be one of defense—certainly we do not need the naval power that Great Britain needs.

Let me say frankly that I do not believe the American people would justify a declaration of war based alone upon the seizure of some distant island possessions loosely connected with the United States. Let me go back 38 years, to 1900. What was the position of the Democratic Party at that time? The campaign of that year was based upon an anti-imperialistic program. It was fought by the Great Commoner, William Jennings Bryan. The policies which we then advocated have been written into law in the McDuffie-Tydings Philippine Independence Act. I, for one, shall oppose with my voice and my vote any attempt to change that act of the Congress of the United States, because I believe it will take from us the responsibility for one of the most dangerous spots in the world. I hope we shall not change it.

In an analysis of the situation and this bill let us lay aside for the time being the interruption which would occur to our foreign commerce in case our ports and coasts were blockaded. Let us assume that a combination of powers would be able to drive our surface ships off the seas: In what danger would be the American coastal cities? What could be done to the American Nation by any combination of naval powers?

To go back to the most recent engagement between land batteries and naval guns, we must recall the World War. The greatest engagement of that character was the Dardanelles project.

In December of 1914 the British Admiralty decided to make a serious attack upon the Dardanelles, with the idea of defeating quickly the Turkish allies of the Central Powers. Because of the profound impression which had been made by the easy reduction of the Belgian border defenses by means of the high angle-fire artillery of the Germany Army, the British naval authorities decided that by the use of the then superdreadnought *Queen Elizabeth*—the most powerful battleship afloat—they could readily demolish the Turkish batteries on both shores of the Dardanelles.

The topography of the area was such that the *Queen Elizabeth* with her 15-inch guns entirely out of sight of these shore batteries could shoot over a neck of land between the Aegean Sea and the Dardanelles without entering the narrow channel. The British Admiralty concluded that with this assistance, by means of naval operations with a large number of ships, the straits could be penetrated, the Sea of Marmora entered, Constantinople captured, and the Black Sea opened to British-Russian commerce, which was vital to the retention of the Russian nation in the World War as an ally of the British nation.

After careful consideration and extensive preparation one of the largest and most powerful fleets ever gathered together up to that time was sent to take the Dardanelles. There were 12 British battleships and 4 French battleships, a total



of 16, all above 11,000 tons in size. There were 4 light cruisers, 2 aircraft carriers, a gunboat, 16 destroyers, 21 mine sweepers, and 7 submarines, making a total of 66 ships, including many of Great Britain's largest battleships armored with 12-inch guns and headed by the greatest dreadnought afloat, the *Queen Elizabeth*, 27,500 tons, with eight 15-inch guns. Inclusive of the French mine sweepers and destroyers, there were probably 80 ships in the total flotilla.

To give briefly a summary of the armaments of the two opposing sides, the Allies had eight 15-inch guns, the Turks on the shore had six 14-inch guns.

The Allies had fifty-eight 12-inch guns and fourteen 9-inch guns, a total of 72.

The Turks had 65 guns of 11 inches or smaller.

The preponderance in artillery on the part of the Allies was almost 2 to 1.

I shall not weary the Senate with the details of the several engagements. Suffice it to say that on February 19, 1915, the first bombardment of the Turkish batteries took place, and from that time on until the final engagement on March 18 there were various attacks and bombardments. On March 18 the final effort was made, after most careful preparation. The English and French ships were in excellent condition. The main ships were divided into three divisions. Mine sweepers had cleared the channel previously. They were in constant use during the day. The day was clear, without wind, and naval authorities described the conditions as perfect for the effort. The British ships opened fire at 11:30 in the morning. At 12:06 it was deemed that sufficient damage had been done to engage the shore batteries in closer contact. Practically all of the ships were engaged from that time for the rest of the day.

I want Senators to understand that I am taking these figures from a work by a United States naval authority, Capt. Thomas G. Frothingham, who based his opinions upon the report of the Dardanelles Commission.

The British battleship *Agamemnon* had been hit 12 times before 2 o'clock. The *Inflexible* was so damaged that she was obliged to retire with her upper works on fire. The four French ships were compelled to retire, suffering great damage. This all occurred before 2 o'clock; in other words, within 2½ hours from the opening of the engagement.

The French battleship *Gaulois*, of 11,000 tons, was badly hit, had a decided list, and was down by the bow utterly unfit for further action. The French battleship *Beauvais* exploded, turned turtle, and sank. Only a score of her company were saved. The British battleship *Irresistible*, heavily struck, took a list about 3:30 in the afternoon, which put her out of commission. The British battleship *Inflexible* struck a mine, which gave her a heavy list and brought her down by the bow. At 5:30 the *Irresistible* sank, and the *Ocean*, which had stood by her attempting to tow her out, also sank. The British naval authorities describe the situation as follows.

Understand, this all took place within the space of 6 hours after the engagement began. I quote:

Outside of the sinking of the three battleships, *Beauvais*, *Irresistible*, and *Ocean*, the *Inflexible*, the *Supreme*, and the *Gaulois* were so damaged that they had to be docked and repaired before they could be of further service. The *Charlemagne's* hold was flooded. The *Agamemnon* had its 12-inch gun battery destroyed. The *Lord Nelson* had its 9-inch gun put out of action. The *Abdon's* fore turret was put out of action for several days.

These were heavy losses for 14 capital ships in action.

Thus 10 of 14 attacking capital ships were either sunk, damaged beyond immediate repair, or seriously injured. The enterprise as a naval attack without army support was then abandoned, and, of course, as is well known, the Dardanelles were never forced. The mighty Allied Navy, with large military support, suffered a tremendous defeat.

Mr. DUFFY. Mr. President—

The PRESIDING OFFICER (Mr. SCHWELLENBACH in the chair). Does the Senator from Michigan yield to the Senator from Wisconsin?

Mr. BROWN of Michigan. I yield.

Mr. DUFFY. The Senator stated that there were two aircraft carriers in the attacking fleet. Did the Senator mean to indicate that there was any aerial bombardment of the land fortifications such as we know of now in more recent fighting?

Mr. BROWN of Michigan. There was not, and, of course, the only use to which the aircraft could be put was as the eyes of the ships. On the other hand, of course, there were no aircraft whatever aiding the Turkish defenders.

Captain Frothingham in his *History of the World War*, on page 270, says:

The trial of the *Queen Elizabeth* exposed the fallacy of one of the arguments for a purely naval attack. For indirect fire the radical difference was shown between the problem for heavy ship guns on a sea surface and for heavy shore guns securely established in a position with a map relation to their target. The failure of the *Queen Elizabeth's* fire was unmistakable.

Even in her comparatively safe position behind the 3- or 4-mile neck of land and out of sight of shore batteries, which were without airplane support, the *Queen Elizabeth* was hit several times, and the author tersely describes the efforts of the greatest superdreadnoughts of the day by saying, "She could accomplish nothing." The conclusion of Captain Frothingham is well supported by the British naval expert, Bywater, in his book, *Sea Power in the Pacific*, in which he says:

Guns mounted on shore are on an unsinkable and steady platform, where they can be provided with unlimited protection and accurate range-finding devices. Guns mounted on board ship are on a sinkable, unsteady platform, their protection is necessarily limited, and methods of range finding afloat cannot be brought to the same degree of perfection as on shore. The shore gun of equal power has therefore a great advantage over the gun mounted on shipboard, an advantage which is increased if the former be mounted on disappearing carriages, as are the seacoast guns of the United States.

Guns mounted ashore in emplacements protected by massive armor and concrete are almost impossible to put out of action, and \* \* \* their fire can be directed with extraordinary precision even at the longest ranges. An equal degree of accuracy can never be attained when firing from a ship. During the Great War coastal bombardments were reduced to a fine art in the Dover patrol, yet, according to Admiral Bacon, the mathematical chance of hitting a lock gate at Zeebrugge—a larger target than would be offered by a gun mounted ashore—assuming absolutely accurate aiming, was once every 67 rounds. But since aiming from a ship at sea can never be quite accurate, the chances of making even this limited number of hits from a moving platform are substantially less than the mathematical calculation would suggest. At the same time the formidable nature of fire from heavy-caliber guns mounted ashore was repeatedly demonstrated in the operations off the Belgian coast. On one occasion the monitor *Lord Clive* was heavily shelled by the German batteries at ranges between 18,000 and 22,000 yards, the salvos falling with uncanny precision and several direct hits being made. It was found subsequently that the German 12-inch and 15-inch guns could make very straight shooting up to 32,000 yards (6 miles). The new American 16-inch, 50-caliber gun at full elevation would have a range of 45,000 yards (8½ miles), and a single hit from its 2,100-pound shell, descending at a very steep angle, might prove fatal to the largest battleship. A limited number of these weapons, so mounted as to command the line of approach \* \* \* would probably suffice to keep the strongest fleet at a respectful distance.

He testifies it was found during a naval attack at Zeebrugge, on the Belgian coast, that the German 12- and 15-inch guns could shoot very straight up to 32,000 yards, 6 miles. The new American 16-inch, 56-caliber gun, at whole elevation, will have a range of 45,000 yards, or over 8½ miles, and a single hit from a 2,100-pound shell, descending at a very steep angle, would prove fatal to the largest battleship.

In the actual battle conditions off the coast of Belgium the number of hits made by British superdreadnoughts upon the lock gates back of Zeebrugge was 1 out of each 67 shots.

Mr. LUNDEEN. Mr. President, will the Senator yield?

Mr. BROWN of Michigan. I yield.

Mr. LUNDEEN. Before the able Senator from Michigan leaves that subject, as he is about to take up another point, I wish to call attention to the fact, in support of the argument he is so ably making, that the navies of all the great powers of the world combined were unable to land a man or a shell on the German shore line, or to force Heligoland,

or to get by the mines or the submarines. I should like to have some of our very able associates answer the implication in that statement.

Mr. BROWN of Michigan. Of course, that fully supports the argument I am making.

Based upon the report of the British Dardanelles Commission, Gen. Johnson Hagood, in his book, *We Can Defend America*, says that the experience at Gallipoli conclusively demonstrates the four following propositions:

1. That no large overseas expedition could be successfully carried out unless the invading force had secured complete command of the sea.

I will show, I think, later that that would be impossible under the conditions which exist in this country.

(2) That the invaders must have an adequate advance base in the immediate proximity of the proposed landing.

(3) That naval guns could not be of much assistance against entrenched troops resisting the operations of the invader.

(4) That no country would attempt to make a serious invasion if the defending forces had submarines.

He says by way of conclusion upon this subject of the British fiasco and failure at Gallipoli:

We can search the pages of history, from the earliest times up to date, and we can find nothing to warrant the belief that in this day and generation any foreign power could make a successful invasion of America, provided we have taken the ordinary common-sense precautions to prevent it.

Mr. President, in that connection I desire to submit this consideration to the Senate: During the entire period that the pending subject has been before us the thought has impressed me that we have based our consideration of this bill entirely upon the testimony of the officials of the Navy. It seems to me that if we are to have any coordination of our naval and Army forces we ought to hear from the Army. Not a representative of the War Department was called before the Naval Affairs Committee. No active Army officer appeared and testified. Retired Army officers appeared, and every one of them who appeared opposed this program.

Mr. WALSH. Mr. President, will the Senator yield?

Mr. BROWN of Michigan. I yield.

Mr. WALSH. Does not the Senator think that the President of the United States conferred with Army officers as well as with naval officers?

Mr. BROWN of Michigan. I assume that he did, but I think the Senate is entitled to the testimony of officials of the War Department for our consideration, because the responsibility now is our responsibility.

Mr. WALSH. As the Senator probably knows, there is a joint board of Army and Navy officers who confer upon all the policies affecting the two branches.

Mr. BROWN of Michigan. Yes; but the Senator will admit that the Senate is not advised as to what those views are. I know of no recommendation which they have made in that respect.

Mr. WALSH. I will say frankly that had it occurred to me, had I thought of it, I should gladly have called on officers of the Army to testify.

Mr. BROWN of Michigan. The Senator will concede that the task of defending our shores is in the hands of our Army. I visited Boston, New York, Charleston, Los Angeles, and San Francisco, and I found no defenses there in the control of the Navy. They are all under the control of the United States Army.

Mr. WALSH. A great deal of evidence from naval authorities was presented on that very subject, and they were in accord with what the Senator says, that the matter of the control of the defense of our shores rested with the Army.

Mr. BROWN of Michigan. I think the Senator from Massachusetts was not here when I made the statement on which I was basing my present argument. I assumed that our Navy was swept from the sea. I assumed that a combination of powerful naval forces would approach our shores, and I was investigating this contemplation: What could they do to our coastal cities and to the American Nation after sweeping our Navy from the seas?

Mr. WALSH. The Senator is assuming that the potential enemy had driven our Navy from the seas?

Mr. BROWN of Michigan. Yes.

Mr. WALSH. They could move in to our coasts and send their planes to destroy our cities.

Mr. BROWN of Michigan. The Senator was not here when I gave the example of what happened to the 14 British and French capital ships which attempted to go through the Dardanelles, and I demonstrated that in the short space of 6 hours 14 British and French ships, including the super-dreadnought of the day, the *Queen Elizabeth*, were driven out of the Dardanelles with the absolute loss of 3 ships, with the disabling for weeks of 3 more, and with serious injury to 2 more.

Mr. WALSH. Of course, the development of airplanes and airplane carriers at that time was not nearly what it is today.

Mr. BROWN of Michigan. But there are now airplanes and airplane carriers on both sides, and as I will demonstrate later, I believe that the concentration of air power which we could place in and about the Senator's great city of Boston, in and about the city of New York, and other important ports on our coasts, could overpower any puny air force that enemy aircraft carriers could bring to our shores.

Mr. NYE. Mr. President, the Senator was reviewing the strength that existed at the Dardanelles. I wish he would repeat, in summary at least, the points which he made so well concerning the relative strength of the guns carried by the British and French fleets and those that were used by the Turks in repelling that attack.

Mr. BROWN of Michigan. At the Dardanelles the allied forces had 66 fighting ships, including 16 battleships of a tonnage of 11,000 tons or greater. They had eight 15-inch guns. The Turks had six 14-inch guns. The Allies had fifty-eight 12-inch guns and fourteen 9-inch guns, or a total of 72. The Turks had 65 guns, none larger than 11 inches. The Allies had 150 guns ranging from 6 to 8 inches. The preponderance of the Allies in artillery power has been estimated to have been almost 2 to 1.

Mr. GERRY. Mr. President, will the Senator yield?

Mr. BROWN of Michigan. I yield.

Mr. GERRY. Is it not true that it is an axiom, which, I think, was laid down by Admiral Mahan, that ships cannot attack land fortifications except at a great disadvantage?

Mr. BROWN of Michigan. I think that is true, and that is just what I am trying to demonstrate now.

Mr. GERRY. Yes; I know the Senator made that point. I think Admiral Mahan laid down the axiom referred to.

Lord Fisher, if I recollect correctly, was entirely opposed to the original Dardanelles expedition, but the attack on the Dardanelles was made at the instance of Winston Churchill. If the allied ships had attempted to go through the following day the probabilities are that they would have been successful, because in the initial Dardanelles attack the ships had hammered the land fortifications hard, and it is also my recollection that the Turks had very nearly exhausted their ammunition. So, had the attack been made the following day, the fleet probably would have gone through. Of course, during the attack on the Dardanelles the Turks also took advantage of the strong currents to float their mines to the point where the British and French vessels were located.

Mr. BROWN of Michigan. The Senator does not think we would fail to use mines in defending New York Harbor, does he?

Mr. GERRY. No. The second attack was made farther down the coast, beyond the fortifications. Had the Allies attacked at that point originally instead of attacking in the Dardanelles, the probability is, and the generally accepted military theory is, as I understand, that they would have been able to force a landing and could have gone back of the fortifications and probably have taken the Dardanelles.

I do not wish to take the Senator's time, but should like to add a word if I may.

Mr. BROWN of Michigan. Go right ahead.



Mr. GERRY. I shall be very glad to see additional defenses provided for our coastal cities. I think it is essential that additions be made to our coastal defense. Such defenses would also prove valuable to the Navy. Let us assume that an enemy fleet should come over to our side of the ocean; let us also assume that it had with it a number of airplane carriers; let us further adopt the assumption of the Senator from Michigan [Mr. Brown] that the enemy fleet obtained command of the seas; if it were also assumed that a combined naval and air attack were made at a time when there was low visibility—say, in a fog—they could easily do enormous damage to any of our coastwise cities. If the enemy fleet, with its airplane carriers, could get close enough to our shores, there is no question that great damage could be done to our coast cities. It would be difficult to repel attacking airplanes in foggy weather.

Although Zeppelins were attached to the German battle fleet in the Battle of Jutland, and the battle was fought something like 350 miles from Wilhelmshaven, the Zeppelins never spotted the British fleet because of the poor visibility.

Mr. BROWN of Michigan. Let me say to the Senator that I shall embark upon that very subject in a very short time if I may have his attention. I wish to say that I think he is the same kind of an "iffer" that many persons were after the battle of Antietam in the Civil War. At that time many said that if General McClellan had pressed the slight advantage he had at Antietam he would have destroyed the Confederate Army. But he did not do it. He was exhausted. The difficulty in the Dardanelles was that the capital ships of the British Navy and the French Navy were so thoroughly whipped that they had no power to go in with again.

Later on, as the Senator well knows, with an immense addition to that fleet, and with the help of, I think—and I may be wrong about this—approximately 300,000 British, French, and Australian troops, they again tried to force the Dardanelles, but they never got through.

Mr. GERRY. If the Senator will yield further, the attack was made above the fortifications. The attackers did not try to force the Dardanelles. They tried to make a landing above that point.

I am not disagreeing with the Senator when he says that the advantage is with the land fortifications when ships are attacking well-fortified land positions. I think that fact is well recognized.

Mr. BROWN of Michigan. I intend to cover that subject in the remaining part of my address.

Mr. GERRY. I do not wish to interrupt the Senator.

Mr. BROWN of Michigan. I do not like to be diverted on another matter.

Mr. BARKLEY. Mr. President—

The PRESIDING OFFICER (Mr. Bilbo in the chair). Does the Senator from Michigan yield to the Senator from Kentucky?

Mr. BROWN of Michigan. I yield.

Mr. BARKLEY. Admitting all the Senator says about the Dardanelles attack, which I do admit—

Mr. BROWN of Michigan. I thank the Senator for his faith in my veracity.

Mr. BARKLEY. I never have doubted the Senator's veracity. In view of the fact that the situation at the Dardanelles was a concentrated one, and the ships were seeking to go through a very narrow space which was strongly fortified, does the Senator think that situation is parallel to the one which would exist on a wide range of coast which is not fortified, except in certain locations, within any reasonable comparison to the fortifications of the Dardanelles?

Mr. BROWN of Michigan. That is the subject of the remainder of my remarks. Let me say, briefly, that I do not think there is an important point on the American seacoast which does not have relatively heavier guns, in comparison with the naval guns that were used in the Dardanelles, than the guns in the fortifications of the Dardanelles. New York is much better fortified at both its entrances than was the Dardanelles. Los Angeles, San Francisco, and even

Charleston have relatively larger guns, compared with any possible artillery that might be used against us, than those at Gallipoli.

Mr. BARKLEY. I do not have in mind concentrated centers of population such as Boston, New York, San Francisco, Los Angeles, or Charleston. What I have in mind is the possibility of our Navy being driven from the sea, as the Senator assumed awhile ago, and nothing being left but the shore. Assuming that no ship could come close enough to a city with coast fortifications to do great damage, what would there be to prevent a ship from anchoring at some point within a convenient distance from an unfortified shore and sending airplanes out over the country to attack the rear of a city which is fortified against attack from the sea? Of course it might not be possible to destroy the city; but great damage could be done, similar to the damage which is being done to the Spanish cities along the Mediterranean by bombardments from airplanes which come in from the sea.

Mr. BROWN of Michigan. I did not assume that the American Army would be utterly helpless in the matter of defense. I am assuming that our Army would be at its highest efficiency in the event of war. I can answer the Senator by quoting Gen. Johnson Hagood to the effect that before invaders at some obscure point along our coast—if such a place is conceivable—could successfully land troops in sufficient numbers to maintain themselves, it would be necessary for them to have an advance base; and it is inconceivable to me that the invaders could maintain themselves against the concentration of Army forces which we could bring to bear.

Mr. BARKLEY. I am sure the Senator would not be willing that the condition which he is assuming should ever transpire; that is, that the American Navy should be driven from the high seas.

Mr. BROWN of Michigan. I stated at the beginning of my remarks that I was assuming the worst possible conditions.

Mr. BARKLEY. We should then be relegated to our coast fortifications, because such a situation would presuppose our unwillingness or our inability to protect our commerce as it went out from the fortified cities or came in to them.

Mr. BROWN of Michigan. I stated at the beginning of my argument that I assumed the worst conditions that could possibly exist. I shall try to demonstrate that under those conditions our Nation would not be in great danger. I do not think any such conditions could ever exist.

Mr. GERRY. Mr. President, will the Senator yield?

Mr. BROWN of Michigan. I will yield in just a moment.

I voted for the last naval appropriation bill, and I have supported practically all the naval appropriation bills which have been brought before us—not always with the greatest of enthusiasm—but I challenge the necessity for the 5-5-3 ratio. I say that we ought to investigate now, inasmuch as we can not spend much, if any, of this money before 1942. I am not sure that the battleship is the efficient instrument of national defense or offense that the Naval Affairs Committee says it is.

Mr. GERRY. Mr. President, will the Senator yield?

Mr. BROWN of Michigan. I now yield to the Senator from Rhode Island.

Mr. GERRY. Taking the Senator's assumption that the American fleet is driven off the sea, does not the Senator think that a base could be established on either the Aleutian Island chain or elsewhere in Alaska which would make it very difficult for our Army to concentrate with sufficient force to prevent a landing?

Mr. BROWN of Michigan. If I correctly understand the Senator, he is on exactly the same subject as before; that is, the question of a base in Cuba, a base somewhere in Canada—if that is conceivable—or a base on the Aleutian Islands. I think I shall fully cover that question in the notes I still have on the subject. I have now reached the point where I shall depart from what I consider to be an absurd contem-

plation; that is, that our naval forces, maintained in a reasonably adequate condition, would be driven from the sea.

Mr. WALSH. Mr. President, will the Senator yield?

Mr. BROWN of Michigan. I yield.

Mr. WALSH. I feel ashamed to ask the Senator to yield further, because he has been so generous. However, I was impressed with what he said about the battleship and its ineffectiveness as a naval weapon. Others entertain the same opinion as does the Senator.

Mr. BROWN of Michigan. Let me enlighten the Senator in that connection. I do not know whether or not the battleship is an inefficient implement of war; but I say it will be at least 2 years before the program could become effective, and I desire, before we spend the money, thoroughly to explore that question and to find out whether the battleship is of any benefit to us as a weapon of defense.

Mr. WALSH. The Senator has anticipated my question. He is not opposed to battleships?

Mr. BROWN of Michigan. Not necessarily.

Mr. WALSH. He wants more time to consider the subject?

Mr. BROWN of Michigan. Absolutely. I want to know the facts.

Let me digress at this point to say, in connection with the reorganization of the Government, that I think it is a subject which we ought further to consider. I know the majority leader appreciates the fact that while I opposed the reorganization bill as it was presented to the Senate, I urged the very amendment which was presented in the House, known as the Kniffin amendment; and if that amendment had been adopted here, I say publicly that I should have voted for the reorganization bill. I know from the various conversations we have had that the majority leader is aware of my views.

Mr. BARKLEY. The Senator has correctly stated the situation. The Senator will recall, of course, as I do, that we held many conferences on the subject. The Senator privately expressed to me the same views which he expresses at this time; and I have no doubt of his sincerity.

Mr. BROWN of Michigan. I think it is a tragedy that the great cause of reorganization was lost; and I hope it may be brought before us again.

Mr. BARKLEY. Inasmuch as the Senator has mentioned the subject, I will say that in spite of the adoption by the House of the amendment to which he refers the bill was defeated.

Mr. BROWN of Michigan. I should have voted for the bill in the Senate if it had contained that amendment.

Mr. BARKLEY. In spite of the fact that all the concessions which were suggested on the other side of the Capitol were put in the bill, still it was defeated.

Mr. BROWN of Michigan. My opinion is that if those concessions had been agreed to in the Senate, the bill would have been enacted into law. That is my frank judgment.

I still think we should consider the matter of combining the Military and Naval Establishments, and that we should carefully examine the question whether or not we should have a department of national defense. The two departments should not be rivals for the favor of Government appropriations. They should join in working out the best plan for the defense of our Nation. So long as they are headed separately and contain below the department heads generals, admirals, and subordinates too often jealous of the functions and duties of the two departments, we shall have a condition which is not healthy for America's national defense.

Briefly to answer the argument of the distinguished senior Senator from Rhode Island [Mr. GERRY] and the majority leader as to the application of the Dardanelles experience to our American coastal cities, and, as the Senator from Kentucky says, to remote places where a landing might possibly be effected, it must be remembered that the Allies had complete command of the sea in the early part of 1915. There was nothing to fear from the three or four German raiders which were still upon the high seas. Two of them were bottled up in the Black Sea, and two were being chased all over the five oceans by the British fleet. The German sub-

marine had not reached the high state of efficiency which it reached in the later years of the war. Communications for the supply of food and munitions between Gallipoli and England were as perfect as could be desired. The Turkish defenders were without adequate population supplying food and munitions to take care of them. The aircraft which existed—and two or three aircraft carriers were present—were entirely on the side of the attacking naval forces.

Compare that situation, Mr. President, with an attack by a superior naval force against the city of New York, the city of Boston, or the city of Charleston. It must be admitted that the Dardanelles campaign conclusively demonstrated that guns fired from ship to shore are not nearly so accurate as guns fired from shore to ship. One hit in 67 was the actual combat experience on the Belgian coast. It will be recalled that the *Queen Elizabeth*, the superdreadnought of the day, the largest battleship then in existence, was repeatedly hit by the shore batteries in the early days of the Dardanelles campaign, and that 10 out of 16 British and French battleships—and 2 of them never entered the engagement; they were held as reserves—were either sunk, disabled, or seriously damaged by those shore batteries, and that the shore batteries continued to spout shot and shell until the British and French ships fled out of range. Remember, Mr. President, it was all done in the short space of 6 hours.

Compare this situation with that of a naval battle in the vicinity of New York, with the great mounted guns which many of you have seen at Sandy Hook and along the shores of the two entrances to New York Harbor. Consider the tremendous concentration of planes produced by America's superb manufacturing facilities, which, by sheer weight of numbers, could overpower the meager supply of airships that could be brought to our shores aboard aircraft carriers. Let me say to the Senator from Rhode Island [Mr. GERRY] that it is not foggy all of the time; and airships with a range of from 500 to 1,000 miles could search out and find enemy aircraft—which are notoriously tinderboxes, because of the large amount of gasoline they carry—before they could approach our shores.

Mr. GERRY. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Michigan yield to the Senator from Rhode Island?

Mr. BROWN of Michigan. I yield.

Mr. GERRY. If my recollection is correct, in some of the naval maneuvers in foggy weather the attacking fleet was able to come very close to the shore, and the defending airplanes were unable to find the fleet.

Mr. BROWN of Michigan. It would take from 2 to 3 or 4 days for aircraft carriers to travel the last thousand miles to the American coast; and, while it is conceivable that they could not be found, it is hardly possible.

Mr. GERRY. Aircraft carriers, of course, can travel four or five hundred miles in 24 hours.

Mr. BROWN of Michigan. Likewise, our planes can travel almost as many thousand miles as the aircraft carriers can travel hundreds of miles.

Mr. GERRY. And, of course, the experience in maneuvers is that if there is low visibility and foggy weather the enemy vessels can make an attack without always being found. The Battle of Jutland is an example of that.

Mr. BROWN of Michigan. That is largely a matter of opinion.

Mr. GERRY. It is a question of conditions.

Mr. BROWN of Michigan. It is my frank judgment that with the tremendous superiority of aircraft that we could create in a very short time—and I favor that type of program—we could seek and find, under practically all conditions, the aircraft carriers of an enemy, which necessarily would be concentrated in one small area.

Mr. LUNDEEN. Mr. President—

Mr. BROWN of Michigan. I yield to the Senator from Minnesota.

Mr. LUNDEEN. I wonder if the Senator has the impression I have from my reading of World War history—that all



the airplanes of the Allies, in conjunction with their fleets, were unable to inflict any damage on the German coast off Heligoland. The German mines, airplanes, submarines, and coast defenses were too much for them.

Mr. BROWN of Michigan. Yes, and a very, very small island.

Mr. LUNDEEN. That may have a bearing on the matter. It seems to me that proves our coast defenses invulnerable against any European or Asiatic attack.

Mr. BROWN of Michigan. Consider the menace of the submarine from below, and the bomber from above, to any fleet which might attempt to approach our shores. What is said of New York may be said to a lesser degree of every major port on the two oceans. What chance would an enemy fleet have to approach the harbor of Boston, with its many fortified islands; or of Norfolk, with its narrow, well-guarded entrance to Chesapeake Bay; or of Charleston, Jacksonville, New Orleans, Los Angeles, San Francisco, or the ports on Puget Sound? It is unthinkable that any successful invasion of this powerful country could be so made.

The conclusion one reaches is that the only logical basis for this expansion program is a defense which would prevent interference with our foreign commerce, possibly some interference with our coastwise commerce, or some extremely remote—as the Senator from Rhode Island says—but possible aircraft damage, under the most fortuitous conditions for the enemy, to our coastal cities; none of which could seriously cripple the American Nation. The question is whether or not these possible and remote items of damage justify us in a tremendous expenditure of funds at a time when all we can borrow from our people, and all we can exact from them by way of taxation, is needed for internal affairs.

I do not favor proposals establishing geographical lines beyond which our naval forces may not go. I think it would be suicidal if we did not know that not only our naval officers but the Congress itself, in a moment of necessity, would pay no attention to such limitations if the necessity so dictated. But I do believe we should not now prepare to safeguard our commerce, wherever that commerce might be, against any possible combination of enemies; and that is the ultimate argument of the proponents of this bill.

It has been said that we should have, on both oceans, a fleet ready and willing to meet any possible combination of powers against us. That simply cannot be done, and it need not be done.

For centuries England has enjoyed the benefits of her isolation, now to some extent lessened by the use of aircraft, but still a formidable barrier to any invasion by land forces. England never has been invaded since 1066, when William the Conqueror came—almost 1,000 years. Our isolation from enemies powerful enough to injure us is one of the natural geographic advantages which we should, and have a right to, enjoy. Six thousand miles of ocean on one side, 3,000 miles of ocean on the other, isolate us from the troubles of Asia and the tribulations of Europe. We are closer to being a self-contained economic unit than any other major nation in the world; I think I might safely say, than any other nation in the world—big or small. We could get along—true, with some discomfort—if we had no foreign commerce.

The naval-expansion report lists the following as necessities which we could not get at all, or in sufficient quantities, in the event our shores were blockaded: Tin and rubber, manila fiber, silk, manganese, chromium, tungsten, wool, quicksilver, and quinine. Those are the only items of which we should be deprived, in whole or in part, if our coasts were entirely blockaded. Mr. President, with one-tenth of the amount of money we propose to expend in this program we could buy and store within the boundaries of the United States enough of all such materials to answer our requirements for any possible length of time during which our shores could be blockaded, and get our money back.

Mr. NYE. Mr. President, will the Senator yield at that point?

Mr. BROWN of Michigan. I yield to the Senator from North Dakota.

Mr. NYE. I do not want to interrupt the Senator's argument by asking for the insertion in the RECORD at this point of the matter to which I am about to refer; but I hope that at the conclusion of his remarks there may be printed in the RECORD an article appearing in the New York Times under date of Sunday, April 10, 1938, under the heading "Navy Encourages Manganese Mining," in which the contention is made that America is quite able to provide its own manganese requirements in the event of attack.

Mr. BROWN of Michigan. I ask unanimous consent that the article may be inserted in the RECORD at this point in my remarks. I think it would be quite apropos here.

The PRESIDING OFFICER. Without objection, it is so ordered.

The article is as follows:

[From the New York Times, April 10, 1938]

NAVY ENCOURAGES MANGANESE MINING—RECENT SUPPLY CONTRACTS  
FOCUS ATTENTION ON PRODUCTIVE CAPACITY OF NATION  
(By J. G. Forrest)

Contracts to supply the Navy Department with 11,500 tons of ferromanganese, produced entirely from United States ores, recently awarded to two domestic manganese-producing companies, reveal two significant points regarding the situation of the industry in this country. One is that satisfactory manganese can be produced from native ores, the other that the "defense conscious" Navy recognizes the need for encouraging the domestic industry in the interest of national defense.

Inasmuch as manganese is an indispensable factor in making steel, with 14 pounds of manganese going into every ton, the importance, to the steel industry as well as to national defense, of any broad developments in the manganese field is obvious.

Undoubtedly three independent current congressional actions, all intended to help assure this country a reasonable self-sufficiency in this ore, called by the War Department the No. 1 strategic mineral, strongly influenced the granting of the Navy contracts. This is apparent, because the bidding was open to foreign producers, and, in fact, the prices being paid are higher than some of the foreign bids. It is the first considerable purchase of domestic manganese by an arm of the Government in many years, since the World War, to be exact. It is also the first time it ever has been purchased for "emergency reserve" purposes.

#### ORE SUFFICIENCY CITED

Ore from Montana, Colorado, Utah, Wyoming, and Idaho is to be used in producing the ferromanganese that the Navy is purchasing from the Colorado Fuel & Iron Co., of Denver, one of the two successful bidders. Deposits in Virginia, Tennessee, and West Virginia will furnish the ore for that purchased from the other successful bidder, E. J. Lavino & Co., of Lynchburg, Va.

Although this country now consumes around 800,000 tons and produces about 7 percent of all the manganese that it consumes in an average year, there is sufficient ore here to supply all peacetime or wartime needs—if there were incentive for working the deposits and investing in newly perfected equipment for concentrating the low-content ores. Deposits have been charted in 20 States, with particularly large ore bodies in South Dakota, Montana, and Arkansas.

Such incentive, according to testimony before a recent hearing of a subcommittee of the Senate Military Affairs Committee, could best be provided by two moves: (1) A Government policy of building a million-ton emergency ore reserve exclusively from domestic sources, as outlined in Senate bill 3460, by Senator JOHN E. MILLER, of Arkansas, thus helping stabilize domestic demand; and (2) removing manganese from the list of commodities affected by the Brazil and Canada trade pacts and noninclusion of it in future similar agreements, as recommended in concurrent resolutions presented in the House of Representatives by Representative FRANCIS H. CASE, of South Dakota, and in the Senate by Senator JAMES E. MURRAY, of Montana. It is estimated that the building up of such a reserve would provide approximately 68,000,000 man-hours of employment, or about \$23,800,000 in wage pay rolls.

#### TARIFF CHANGE A BLOW

American manganese producers, according to J. Carson Adkerson, president of the American Manganese Producers Association, maintain that several new "beneficiating" processes perfected within the last 5 years had just begun to make domestic production feasible when the Brazil and Canadian agreements of 1935 cut the tariff in half, destroying hopes of even modest profits.

Evidence that the new processes could enable American deposits to compete in industrial markets with the higher content deposits of Russia, Africa, and Brazil—given the former tariff protection and a more stable home market—was presented by M. B. Gentry of the Cuban-American Manganese Corporation, Harold Pumpelly of the Domestic Manganese and Development Company of Butte, Mont., and Dr. Finn Sparre of E. I. du Pont de Nemours. The Cuban ores, of grade similar to those found in the United States, have been concentrated into a form that meets the most exacting requirements, Mr. Gentry said.

Senator MILLER stated that his bill is intended to stimulate the domestic industry "not only as a means of assuring us adequate home sources in time of emergency and freeing us from depend-

ence on far-away foreign supplies which might be cut off, but also as a means of creating new employment and commerce in many of the 20 States having known substantial deposits."

Preliminary figures on manganese ore imports for consumption in 1937, totaling 911,563 long tons, show Russia as the leading supplier, with 383,949 tons. The African Gold Coast furnished 254,547 tons; Brazil, intended beneficiary of the trade pact, sent only 77,988 tons, and India 70,232 tons. Cuba, whose manganese is available in this country duty free, sent here 122,937 long tons.

Mr. BROWN of Michigan. Mr. President, there is not an item in this list which is essential even to the luxuries in our food supplies. There is not an item that is essential to the life of the American Nation. We should suffer some loss in our commerce and trade. Some of our ships might be tied up for a time; but life in America would go on in much the same fashion as it did before, and as it would after, any such upheaval. Report says that 10 percent in money value of our manufactured articles are exported. Certainly the cost of engaging in an offensive war, the cost of creating and maintaining a tremendous war machine would be far greater, many times greater, than the cost of recompensing the comparative few who would be injured by the loss of our foreign trade. So I conclude this part of my statement with the assertion that assuming the worst that could happen within the contemplation of reasonable men, the American Nation would not be seriously injured if its shores were blockaded and it had to live within itself for a few months or years.

This is not likely. In my judgment, it is not even possible. The greatest combination of powers allied against any other group in the history of the world was that of the allied nations against the central Germanic powers in the last World War. Yet there was no real invasion of Germany. By that I mean that it did not suffer internally through the desecration of its soil. A foe generous in some respects, as we were, refrained from invasion. Is it reasonable to assume that our friends of a hundred years, the British; our friends of 150 years, the French; or even our late enemies, the Central Powers, are now going to join in an assault upon an American Nation which largely attends to its own business? Certainly, the senior Senator from Idaho in his review of the history of Japanese-American relations has shown that danger from that source is not only unlikely but the thought of it almost fantastic. No, Mr. President, it is my belief that with a reasonably fair treatment of the other peoples of the world, that our Nation has no reason to fear a combination which can affect it.

I regret to say that, like the advocate in a lawsuit, the proponents of this measure have convinced themselves of its necessity by their constant concern with it. I have in my earlier days, at times with great reluctance, undertaken the defense of a person charged with a crime, feeling certain that the accused was guilty, and by constant association with and devotion to his defense have oftentimes myself been convinced of an innocence which did not exist—as further contemplation—after the heat of the battle was over, clearly demonstrated.

This trait of human nature is demonstrated in this connection by the statement of the Secretary of the Navy, adopted by the Naval Affairs Committee of the Senate. I desire to read it to the Senate. This was a question propounded to the Secretary of the Navy:

It is said that the United States does not require parity in combatant vessels with Great Britain as the defense problems of Great Britain are different from the defense problems of the United States (p. 38 of the report).

The Secretary undertook to answer that by saying:

It is true that the defense problems of the United States and Great Britain are different. It should logically follow that the strength and composition of two navies would be different \* \* \* Because the two problems are different it does not consequently follow that the United States needs a smaller navy than that of Great Britain. It might logically follow—

Says this man who was chairman of the Naval Affairs Committee of the Senate, and has been Secretary of the Navy for the past 6 years:

It might logically follow that the United States needs a larger navy than that of Great Britain. When one takes into consider-

ation that the United States has long coasts on each ocean to defend, island possessions in both the Atlantic and the Pacific to defend. \* \* \*

Mr. President, compare the situation of the British empire with that of the United States, and then call that statement reasonable if you can.

Depending on the strength of foreign powers that might challenge our security and policies, the United States might require a Navy stronger than that of Great Britain—

He continues. Consider the powerful nations which surround Great Britain, consider her proximity to them, then consider the isolation of the United States, and call that statement reasonable if you can. It is not in accord with the facts.

Mr. President, this statement plainly and clearly asserts that it is the judgment of the Committee on Naval Affairs and of the Secretary of the Navy that the United States needs and requires a Navy stronger than that of Great Britain. It is based on the proposition that our coast line on the two oceans is greater than that of Great Britain. This is a splendid example of the extremity to which an advocate will sometimes go, honestly convinced by his constant association with the problem.

Let me state, as I said earlier, that if I were a Member of the English Parliament I would favor the appropriation of money to the very utmost limit of the nation's ability to protect the life line of the English Nation. Forty million people live in an area said to be little larger than that of Alabama. It would be impossible for that people to produce merely the food it needed for subsistence for any length of time. The population is absolutely dependent upon what is aptly called the British life-line communication with Canada, with Australia, with India, and with other nations which supply the needs of the British empire. And rightly the policy of England for centuries has been to maintain that life line.

England proper has a population of 35,000,000, a density of 701 to the square mile. The United States has a population slightly in excess of 120,000,000, with a density of 40 per square mile. The density in England is 17 times that in the United States.

What are the practical conditions? England has imports of \$6,000,000,000 per year, taking the figures for the year 1929. One-third, or \$2,000,000,000, represents food imports—meat, butter, vegetables, and the other necessities of life to the British Empire. I venture to say, although I am not an authority upon the subject, that the people of that Empire could not exist for 60 days upon the food supply they produce within that tight little island. Is there anyone here who could say we could be deprived of a single necessity of life if we were blockaded for 5 years? We are a very nearly self-contained economic unit. England is not.

That, Mr. President, is why the British Empire needs to maintain a tremendous navy, and that is the reason why I now challenge the 5-5 ratio with Great Britain, and say that at least in the next 2 years, before we can spend a dollar of this money, we ought to inquire into the question of whether or not it is necessary for our tax-ridden people to assume this additional burden.

Mr. President, I wish to pay a tribute to the forebears of two of the distinguished opponents of the pending measure, the Senator from North Dakota [Mr. NYE] and the Senator from Minnesota [Mr. LUNDEEN]. Both, I take it, are of Scandinavian descent. Has it ever occurred to our colleagues that the two Scandinavian countries of Norway and Sweden—and Denmark, to a lesser degree—have existed with substantially their present borders for centuries, without serious menace from the great powers which surround them? The storms of wars beat against their borders. They must have a genius for neighborliness. They remain at peace. Why is it that our people, isolated, in far better position to maintain peace, must be continually either embroiled in international difficulties, or preparing to engage in them?

In conclusion, let me say that I am in favor of the maintenance of a reasonably adequate Navy, and, despite what the Senator from Massachusetts said a while ago, I do not



hesitate to make that statement. We can maintain such a navy, but a fear this super-Navy will impoverish the American people. It is not necessary. I have shown, I believe, that even if the worst conditions that reasonable men can contemplate should prevail, that the American Nation, within its continental borders, would not seriously suffer.

I do not think we need as powerful a navy as that of England. I do not think we have anything to fear from a Japanese Navy which must go 6,000 miles from its bases in order to attack us. But more important than either of these things, I think it is time for a great, powerful nation, isolated as we are, not only to conserve its financial resources, but to demonstrate to the world that we have some confidence in civilization, some hope that civilized Christian peoples will realize that these mad efforts to outbuild and outfight other civilized peoples will not continue, and that warfare is not going to be the permanent order of business in this world of ours.

#### EXECUTIVE SESSION

Mr. BARKLEY. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

#### EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. Bilbo in the chair) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

#### EXECUTIVE REPORTS OF COMMITTEES

Mr. NEELY, from the Committee on the Judiciary, reported favorably the nomination of Neale D. Murphy, of Rhode Island, to be United States marshal for the district of Rhode Island, vice William F. Goucher, term expired.

Mr. COPELAND, from the Committee on Commerce, reported favorably the nominations of sundry officers for promotion in the Coast Guard of the United States.

Mr. MCKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of sundry postmasters.

The PRESIDING OFFICER. The reports will be placed on the Executive Calendar.

If there be no further reports of committees the clerk will state the first nomination on the calendar.

#### UNITED STATES MARSHAL FOR THE DISTRICT OF RHODE ISLAND

Mr. BARKLEY. Mr. President, before that is done, I wish to say that today a nomination has been favorably reported by the Committee on the Judiciary. It is not on the calendar. The nomination is that of Neale D. Murphy, of Rhode Island, to be United States marshal for the district of Rhode Island. I ask unanimous consent that that nomination may be confirmed, and that the President be immediately notified.

The PRESIDING OFFICER. The nomination will be stated.

The legislative clerk read the nomination of Neale D. Murphy, of Rhode Island, to be United States marshal for the district of Rhode Island.

The PRESIDING OFFICER. Without objection, the nomination is confirmed, and the President will be notified.

#### POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. BARKLEY. I ask that the nominations of postmasters on the calendar be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations are confirmed en bloc.

#### IN THE ARMY

The legislative clerk proceeded to read sundry nominations in the Army.

Mr. BARKLEY. I ask that the nominations in the Army be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations are confirmed en bloc.

That concludes the calendar.

#### RECESS TO MONDAY

The Senate resumed legislative session.

Mr. BARKLEY. I move that the Senate take a recess until 12 o'clock noon on Monday next.

The motion was agreed to; and (at 5 o'clock and 24 minutes p. m.) the Senate took a recess, the recess being, under the order previously entered, until Monday, May 2, 1938, at 12 o'clock meridian.

#### NOMINATIONS

*Executive nominations received in the Senate April 29 (legislative day of April 20), 1938*

#### ASSISTANT SECRETARY OF COMMERCE

Richard C. Patterson, Jr., of New York, to be Assistant Secretary of Commerce, vice Ernest Gallaudet Draper, resigned.

#### APPOINTMENTS, BY TRANSFER, IN THE REGULAR ARMY

##### TO QUARTERMASTER CORPS

Capt. Thomas Gordon Cranford, Jr., Coast Artillery Corps, with rank from August 1, 1935.

##### TO ORDNANCE DEPARTMENT

First Lt. John Stein Walker, Field Artillery, with rank from October 1, 1934.

#### POSTMASTERS

##### ALABAMA

Charles W. Horn to be postmaster at Brantley, Ala., in place of C. W. Horn. Incumbent's commission expired March 20, 1938.

Robert G. Davis to be postmaster at Gordo, Ala., in place of R. G. Davis. Incumbent's commission expires May 12, 1938.

Alven H. Powell to be postmaster at Hackleburg, Ala., in place of A. H. Powell. Incumbent's commission expires June 18, 1938.

Roy L. Nolen to be postmaster at Montgomery, Ala., in place of R. L. Nolen. Incumbent's commission expired March 22, 1938.

Effie Mann to be postmaster at Nauvoo, Ala., in place of Effie Mann. Incumbent's commission expires May 12, 1938.

John T. Maddox to be postmaster at Vernon, Ala., in place of J. T. Maddox. Incumbent's commission expires May 23, 1938.

##### ARKANSAS

Lola B. Gregory to be postmaster at Portland, Ark., in place of L. B. Gregory. Incumbent's commission expires June 1, 1938.

##### CALIFORNIA

Gilbert G. Vann to be postmaster at Arbuckle, Calif., in place of G. G. Vann. Incumbent's commission expires May 9, 1938.

Olive G. Nance to be postmaster at Arvin, Calif., in place of O. G. Nance. Incumbent's commission expires May 9, 1938.

James B. Ogden to be postmaster at Avalon, Calif., in place of J. B. Ogden. Incumbent's commission expires May 7, 1938.

Charles E. Day to be postmaster at Avenal, Calif., in place of C. E. Day. Incumbent's commission expires May 9, 1938.

Roy W. Scott to be postmaster at Baldwin Park, Calif., in place of R. W. Scott. Incumbent's commission expires June 8, 1938.

Frederick A. Dickinson to be postmaster at Ban Lomond, Calif., in place of F. A. Dickinson. Incumbent's commission expires May 9, 1938.

Harry A. Hall to be postmaster at Bigpine, Calif., in place of H. A. Hall. Incumbent's commission expires May 28, 1938.

Joseph V. Gaffey to be postmaster at Burlingame, Calif., in place of J. V. Gaffey. Incumbent's commission expires May 7, 1938.

Harry B. Hooper to be postmaster at Capitola, Calif., in place of H. B. Hooper. Incumbent's commission expires May 9, 1938.

John M. Gondring, Jr., to be postmaster at Ceres, Calif., in place of J. M. Gondring, Jr. Incumbent's commission expires May 9, 1938.

Harold E. Rogers to be postmaster at Chowchilla, Calif., in place of H. E. Rogers. Incumbent's commission expires June 1, 1938.

Alice D. Scanlon to be postmaster at Colfax, Calif., in place of A. D. Scanlon. Incumbent's commission expires May 7, 1938.

Alfred F. Seale to be postmaster at Cottonwood, Calif., in place of A. F. Seale. Incumbent's commission expires May 7, 1938.

Allice E. Schieck to be postmaster at Eldridge, Calif., in place of A. E. Schieck. Incumbent's commission expires June 8, 1938.

Frank T. Ashby to be postmaster at Etna, Calif., in place of F. T. Ashby. Incumbent's commission expires May 7, 1938.

Bert R. Hild to be postmaster at Fair Oaks, Calif., in place of B. R. Hild. Incumbent's commission expires May 9, 1938.

William D. Mathews to be postmaster at Fort Jones, Calif., in place of W. D. Mathews. Incumbent's commission expires June 18, 1938.

Ralph W. Dunham to be postmaster at Greenfield, Calif., in place of R. W. Dunham. Incumbent's commission expires May 28, 1938.

Josephine M. Costar to be postmaster at Greenville, Calif., in place of J. M. Costar. Incumbent's commission expires May 28, 1938.

Lena M. Preston to be postmaster at Harbor City, Calif., in place of L. M. Preston. Incumbent's commission expires June 1, 1938.

Anthony J. Foster to be postmaster at Hayward, Calif., in place of A. J. Foster. Incumbent's commission expires June 13, 1938.

George J. Nevin to be postmaster at Huntington Park, Calif., in place of G. J. Nevin. Incumbent's commission expired April 6, 1938.

Wood I. Glasgow to be postmaster at Le Grand, Calif., in place of W. I. Glasgow. Incumbent's commission expires June 1, 1938.

Charles M. Jones to be postmaster at Lodi, Calif., in place of C. M. Jones. Incumbent's commission expires May 9, 1938.

Bert A. Wilson to be postmaster at Los Banos, Calif., in place of B. A. Wilson. Incumbent's commission expires June 14, 1938.

Paul W. McGrorty to be postmaster at McCloud, Calif., in place of P. W. McGrorty. Incumbent's commission expires June 1, 1938.

Joseph T. McInerny to be postmaster at Merced, Calif., in place of J. T. McInerny. Incumbent's commission expires May 28, 1938.

John Carlos Rose to be postmaster at Milpitas, Calif., in place of J. C. Rose. Incumbent's commission expires June 18, 1938.

Phillip J. Dougherty to be postmaster at Monterey, Calif., in place of P. J. Dougherty. Incumbent's commission expires May 30, 1938.

Julia M. Ruschin to be postmaster at Newark, Calif., in place of J. M. Ruschin. Incumbent's commission expires May 28, 1938.

Lindsey L. Burke to be postmaster at Norwalk, Calif., in place of L. L. Burke. Incumbent's commission expires May 28, 1938.

John T. Ireland to be postmaster at Pico, Calif., in place of J. T. Ireland. Incumbent's commission expires May 9, 1938.

Josephine Purcell to be postmaster at Represa, Calif., in place of Josephine Purcell. Incumbent's commission expired February 5, 1938.

Merle H. Wiswell to be postmaster at Roseville, Calif., in place of M. H. Wiswell. Incumbent's commission expires June 1, 1938.

James R. Wilson to be postmaster at Sacramento, Calif., in place of J. R. Wilson. Incumbent's commission expires May 28, 1938.

Grace E. Patterson to be postmaster at Samoa, Calif., in place of G. E. Patterson. Incumbent's commission expired February 5, 1938.

George H. Treat to be postmaster at San Andreas, Calif., in place of G. H. Treat. Incumbent's commission expires June 18, 1938.

Richard T. Ambrose to be postmaster at Santa Barbara, Calif., in place of R. T. Ambrose. Incumbent's commission expires June 1, 1938.

Edith E. Mason to be postmaster at Santa Fe Springs, Calif., in place of E. E. Mason. Incumbent's commission expires May 7, 1938.

Charles S. Catlin to be postmaster at Satcoy, Calif., in place of C. S. Catlin. Incumbent's commission expires May 9, 1938.

Wesley L. Benepe to be postmaster at Sebastopol, Calif., in place of W. L. Benepe. Incumbent's commission expires May 9, 1938.

Robert B. Montgomery to be postmaster at Sequoia National Park, Calif., in place of R. B. Montgomery. Incumbent's commission expires June 13, 1938.

Arne M. Madsen to be postmaster at Solvang, Calif., in place of A. M. Madsen. Incumbent's commission expires May 9, 1938.

Harold B. Lull to be postmaster at South Gate, Calif., in place of H. B. Lull. Incumbent's commission expires May 30, 1938.

William Clyde Brite to be postmaster at Tehachapi, Calif., in place of W. C. Brite. Incumbent's commission expires May 9, 1938.

Elsie B. Lausten to be postmaster at Walnut Grove, Calif., in place of E. B. Lausten. Incumbent's commission expired April 4, 1938.

Harry Bridgewater to be postmaster at Watsonville, Calif., in place of Harry Bridgewater. Incumbent's commission expires May 9, 1938.

Fannie R. Willey to be postmaster at Winton, Calif., in place of F. R. Willey. Incumbent's commission expires June 18, 1938.

#### COLORADO

William J. Murphy to be postmaster at Breckenridge, Colo., in place of W. J. Murphy. Incumbent's commission expires June 6, 1938.

Robert P. James to be postmaster at Cedaredge, Colo., in place of R. P. James. Incumbent's commission expired April 25, 1938.

Perry N. Cameron to be postmaster at De Beque, Colo., in place of P. N. Cameron. Incumbent's commission expires May 7, 1938.

Glenn G. Ellington to be postmaster at Delta, Colo., in place of G. G. Ellington. Incumbent's commission expires June 6, 1938.

Michael J. Brennan to be postmaster at Durango, Colo., in place of M. J. Brennan. Incumbent's commission expires June 12, 1938.

Ithal Jenkins to be postmaster at Eads, Colo., in place of Ithal Jenkins. Incumbent's commission expires May 31, 1938.

Melvin F. Hofstetter to be postmaster at Hayden, Colo., in place of M. F. Hofstetter. Incumbent's commission expires May 31, 1938.

Sadie P. Aspaas to be postmaster at Ignacio, Colo., in place of S. P. Aspaas. Incumbent's commission expires May 7, 1938.

Robert R. Menhennett to be postmaster at Kremmling, Colo., in place of R. R. Menhennett. Incumbent's commission expires May 31, 1938.

Carlos M. Wilson to be postmaster at La Junta, Colo., in place of M. H. Wiswell. Incumbent's commission expired May 31, 1938.

Edward H. Applegate, Jr., to be postmaster at Lamar, Colo., in place of E. H. Applegate, Jr. Incumbent's commission expired April 25, 1938.



William H. Harkrader to be postmaster at Las Animas, Colo., in place of W. H. Harkrader. Incumbent's commission expires May 31, 1938.

Gus C. Flake to be postmaster at Manitou Springs, Colo., in place of G. C. Flake. Incumbent's commission expires May 31, 1938.

Myrtle Hufty to be postmaster at Paonia, Colo., in place of Myrtle Hufty. Incumbent's commission expires May 22, 1938.

Rice A. Palmer to be postmaster at Redcliff, Colo., in place of R. A. Palmer. Incumbent's commission expired April 25, 1938.

Grover C. Huffnagle to be postmaster at Ridgway, Colo., in place of G. C. Huffnagle. Incumbent's commission expires May 31, 1938.

James F. North to be postmaster at Rocky Ford, Colo., in place of J. F. North. Incumbent's commission expires May 31, 1938.

John W. Anson to be postmaster at Silt, Colo., in place of J. W. Anson. Incumbent's commission expires May 12, 1938.

Herman H. Davis to be postmaster at Springfield, Colo., in place of H. H. Davis. Incumbent's commission expires May 12, 1938.

Alta M. Cassietto to be postmaster at Telluride, Colo., in place of A. M. Cassietto. Incumbent's commission expires June 14, 1938.

George S. Niebuhr to be postmaster at Walsenburg, Colo., in place of G. S. Niebuhr. Incumbent's commission expires May 12, 1938.

Charles L. Dickson to be postmaster at Westcliffe, Colo., in place of C. L. Dickson. Incumbent's commission expires May 31, 1938.

## CONNECTICUT

Felix J. Wakely to be postmaster at Central Village, Conn., in place of F. J. Wakely. Incumbent's commission expires May 2, 1938.

Forrest G. Thatcher to be postmaster at East Hampton, Conn., in place of F. G. Thatcher. Incumbent's commission expires May 1, 1938.

John Welsh to be postmaster at Killingly, Conn., in place of John Welsh. Incumbent's commission expires May 1, 1938.

Edward A. Bowes to be postmaster at Saybrook, Conn., in place of E. A. Bowes. Incumbent's commission expired April 28, 1938.

George H. Robertson to be postmaster at South Coventry, Conn., in place of G. H. Robertson. Incumbent's commission expired April 27, 1938.

Arthur J. Caisse to be postmaster at South Willington, Conn., in place of A. J. Caisse. Incumbent's commission expires May 1, 1938.

Aaron A. French, Jr., to be postmaster at Sterling, Conn., in place of A. A. French, Jr. Incumbent's commission expired April 28, 1938.

William J. Farnan to be postmaster at Stonington, Conn., in place of W. J. Farnan. Incumbent's commission expires May 1, 1938.

John J. Burns to be postmaster at Waterford, Conn., in place of J. J. Burns. Incumbent's commission expires May 1, 1938.

## FLORIDA

Oliver B. Carr to be postmaster at West Palm Beach, Fla., in place of O. B. Carr. Incumbent's commission expires May 9, 1938.

## GEORGIA

John Day Watterson to be postmaster at Eatonton, Ga., in place of J. D. Watterson. Incumbent's commission expires May 12, 1938.

John E. Phinazee to be postmaster at Forsyth, Ga., in place of J. E. Phinazee. Incumbent's commission expired April 28, 1938.

William H. Wood, Jr., to be postmaster at Loganville, Ga., in place of W. H. Wood, Jr. Incumbent's commission expires June 6, 1938.

Robert E. Walker to be postmaster at Roberta, Ga., in place of R. E. Walker. Incumbent's commission expires May 7, 1938.

Mary E. Everett to be postmaster at St. Simon Island, Ga., in place of M. E. Everett. Incumbent's commission expired April 28, 1938.

Jessie Gunter to be postmaster at Social Circle, Ga., in place of Jessie Gunter. Incumbent's commission expires May 7, 1938.

George Arnold Ware to be postmaster at Tignall, Ga., in place of G. A. Ware. Incumbent's commission expires June 14, 1938.

## GUAM

James H. Underwood to be postmaster at Guam, Guam, in place of J. H. Underwood. Incumbent's commission expires May 25, 1938.

## HAWAII

Marie Blankenship to be postmaster at Koloa, Hawaii, in place of Marie Blankenship. Incumbent's commission expires June 18, 1938.

## ILLINOIS

Joseph F. Speelman to be postmaster at Arcola, Ill., in place of J. F. Speelman. Incumbent's commission expired April 27, 1938.

Hugh P. Rigney to be postmaster at Arthur, Ill., in place of H. P. Rigney. Incumbent's commission expires May 3, 1938.

Peter F. Harder to be postmaster at Atwood, Ill., in place of P. F. Harder. Incumbent's commission expires May 29, 1938.

Vernard Dale Snyder to be postmaster at Bethany, Ill., in place of V. D. Snyder. Incumbent's commission expires June 6, 1938.

James E. Muckian to be postmaster at Calumet City, Ill., in place of J. E. Muckian. Incumbent's commission expires May 28, 1938.

Elbert McDonald to be postmaster at Carriers Mills, Ill., in place of Elbert McDonald. Incumbent's commission expired April 27, 1938.

Meda Lorton to be postmaster at Cowden, Ill., in place of Meda Lorton. Incumbent's commission expires May 3, 1938.

George R. Gampher to be postmaster at Eldorado, Ill., in place of G. R. Gampher. Incumbent's commission expired April 27, 1938.

Ida B. Coyle to be postmaster at Equality, Ill., in place of I. B. Coyle. Incumbent's commission expired April 27, 1938.

Margaret Echols to be postmaster at Flossmoor, Ill., in place of Margaret Echols. Incumbent's commission expires May 31, 1938.

John A. Gill to be postmaster at Galatia, Ill., in place of J. A. Gill. Incumbent's commission expired April 27, 1938.

Elmer R. Randolph to be postmaster at Golconda, Ill., in place of E. R. Randolph. Incumbent's commission expired April 27, 1938.

Oliver P. Dickson to be postmaster at Homer, Ill., in place of O. P. Dickson. Incumbent's commission expired April 27, 1938.

Ruth A. Tilford to be postmaster at Mansfield, Ill., in place of R. A. Tilford. Incumbent's commission expired April 27, 1938.

Paul W. Poorman to be postmaster at Mattoon, Ill., in place of P. W. Poorman. Incumbent's commission expires June 12, 1938.

Warren S. Smith to be postmaster at Norris City, Ill., in place of W. S. Smith. Incumbent's commission expired April 27, 1938.

William A. Reeds to be postmaster at Oakland, Ill., in place of W. A. Reeds. Incumbent's commission expires May 28, 1938.

John F. McCann to be postmaster at Oglesby, Ill., in place of J. F. McCann. Incumbent's commission expires June 18, 1938.

John J. Hart to be postmaster at Ottawa, Ill., in place of J. J. Hart. Incumbent's commission expired April 27, 1938.

James Doherty to be postmaster at Ridgway, Ill., in place of James Doherty. Incumbent's commission expires May 3, 1938.

Otis M. Lamar to be postmaster at Rosiclare, Ill., in place of O. M. Lamar. Incumbent's commission expires May 3, 1938.

George C. Miller to be postmaster at Sullivan, Ill., in place of G. C. Miller. Incumbent's commission expired April 27, 1938.

Earl B. Strickland to be postmaster at Tolono, Ill., in place of E. B. Strickland. Incumbent's commission expired April 27, 1938.

## INDIANA

Emma V. Spinks to be postmaster at Dugger, Ind., in place of E. V. Spinks. Incumbent's commission expires June 9, 1938.

Ellis D. Malone to be postmaster at Elnora, Ind., in place of E. D. Malone. Incumbent's commission expires May 3, 1938.

Marshall Winslow to be postmaster at Greenfield, Ind., in place of J. F. Mitchell, Jr., resigned.

James R. Kelley to be postmaster at Lebanon, Ind., in place of J. R. Kelley. Incumbent's commission expires May 1, 1938.

Walter J. Smith to be postmaster at Loogootee, Ind., in place of W. J. Smith. Incumbent's commission expires May 3, 1938.

L. Edgar Feagans to be postmaster at Montgomery, Ind., in place of L. E. Feagans. Incumbent's commission expired April 27, 1938.

Gordon B. Olvey to be postmaster at Noblesville, Ind., in place of G. B. Olvey. Incumbent's commission expires May 30, 1938.

Alva K. Costin to be postmaster at Paragon, Ind., in place of A. K. Costin. Incumbent's commission expires June 9, 1938.

Walter S. Kensler to be postmaster at Vincennes, Ind., in place of W. S. Kensler. Incumbent's commission expired April 27, 1938.

Patrick D. Sullivan to be postmaster at Whiting, Ind., in place of P. D. Sullivan. Incumbent's commission expires June 9, 1938.

## KANSAS

John C. Cox to be postmaster at Augusta, Kans., in place of J. C. Cox. Incumbent's commission expires May 1, 1938.

Beulah H. Stewart to be postmaster at Baldwin City, Kans., in place of B. H. Stewart. Incumbent's commission expired February 28, 1938.

Alvin M. Johnson to be postmaster at Canton, Kans., in place of A. M. Johnson. Incumbent's commission expires May 1, 1938.

Sam C. Scott to be postmaster at Conway Springs, Kans., in place of S. C. Scott. Incumbent's commission expires May 1, 1938.

Lula E. Kempin to be postmaster at Corning, Kans., in place of L. E. Kempin. Incumbent's commission expired February 28, 1938.

Roger M. Williams to be postmaster at Lawrence, Kans., in place of R. M. Williams. Incumbent's commission expired February 28, 1938.

Henderson E. Six to be postmaster at Lyons, Kans., in place of H. E. Six. Incumbent's commission expired February 10, 1938.

Charles E. Mansfield to be postmaster at McCune, Kans., in place of C. E. Mansfield. Incumbent's commission expired March 14, 1938.

John W. Sheridan to be postmaster at Paola, Kans., in place of J. W. Sheridan. Incumbent's commission expired March 14, 1938.

Ronald E. Mangrum to be postmaster at Pittsburg, Kans., in place of R. E. Mangrum. Incumbent's commission expires May 25, 1938.

Anne W. VanBebber to be postmaster at Troy, Kans., in place of A. W. VanBebber. Incumbent's commission expired February 28, 1938.

## KENTUCKY

Nora Dixon McGee to be postmaster at Burkesville, Ky., in place of N. D. McGee. Incumbent's commission expires May 1, 1938.

Nathaniel M. Elliott to be postmaster at Corbin, Ky., in place of N. M. Elliott. Incumbent's commission expires May 17, 1938.

John A. Van Pelt to be postmaster at Kenvir, Ky., in place of J. A. Van Pelt. Incumbent's commission expires May 12, 1938.

Katy Mullins to be postmaster at Mount Vernon, Ky., in place of Katy Mullins. Incumbent's commission expires June 18, 1938.

Mason E. Burton to be postmaster at Somerset, Ky., in place of M. E. Burton. Incumbent's commission expires May 1, 1938.

## LOUISIANA

Samuel Haas to be postmaster at Alexandria, La., in place of Samuel Haas. Incumbent's commission expires June 18, 1938.

## MAINE

Roland S. Plummer to be postmaster at Harrington, Maine, in place of R. S. Plummer. Incumbent's commission expired April 2, 1938.

F. Raymond Brewster to be postmaster at Ogunquit, Maine, in place of F. R. Brewster. Incumbent's commission expired January 31, 1938.

Ernest F. Poulin to be postmaster at Waterville, Maine, in place of E. F. Poulin. Incumbent's commission expired April 25, 1938.

## MARYLAND

Jacob R. L. Wink to be postmaster at Manchester, Md., in place of J. R. L. Wink. Incumbent's commission expired April 25, 1938.

Frances H. Matthews to be postmaster at Oakland, Md., in place of F. H. Matthews. Incumbent's commission expires June 12, 1938.

Howard Griffith to be postmaster at Silver Spring, Md., in place of Howard Griffith. Incumbent's commission expires May 22, 1938.

Nellie T. Reed to be postmaster at Williamsport, Md., in place of N. T. Reed. Incumbent's commission expired April 25, 1938.

## MINNESOTA

Benjamin M. Loeffler to be postmaster at Albert Lea, Minn., in place of B. M. Loeffler. Incumbent's commission expires May 12, 1938.

Bert C. Hazle to be postmaster at Alden, Minn., in place of B. C. Hazle. Incumbent's commission expires May 12, 1938.

Gertrude M. McGowan to be postmaster at Appleton, Minn., in place of G. M. McGowan. Incumbent's commission expires June 18, 1938.

Charles B. Fraser to be postmaster at Battle Lake, Minn., in place of C. B. Fraser. Incumbent's commission expires May 12, 1938.

Henry P. Dunn to be postmaster at Brainerd, Minn., in place of H. P. Dunn. Incumbent's commission expires May 12, 1938.

James L. Paul to be postmaster at Browns Valley, Minn., in place of J. L. Paul. Incumbent's commission expired April 19, 1938.

Paul F. Preice to be postmaster at Calumet, Minn., in place of P. F. Preice. Incumbent's commission expires June 13, 1938.

Howard H. Gunz to be postmaster at Center City, Minn., in place of H. H. Gunz. Incumbent's commission expires June 13, 1938.

Elmer J. Larson to be postmaster at Cokato, Minn., in place of E. J. Larson. Incumbent's commission expires June 12, 1938.

Alexander Kolhei to be postmaster at Cottonwood, Minn., in place of Alexander Kolhei. Incumbent's commission expires May 12, 1938.

Glen J. Merritt to be postmaster at Duluth, Minn., in place of G. J. Merritt. Incumbent's commission expires May 12, 1938.



Aloysius I. Donahue to be postmaster at Elk River, Minn., in place of A. I. Donahue. Incumbent's commission expires June 13, 1938.

William Guthrie to be postmaster at Emmons, Minn., in place of William Guthrie. Incumbent's commission expired April 19, 1938.

Dagny G. Sundahl to be postmaster at Grove City, Minn., in place of D. G. Sundahl. Incumbent's commission expires May 12, 1938.

Tillman A. Brokken to be postmaster at Harmony, Minn., in place of T. A. Brokken. Incumbent's commission expired April 19, 1938.

Flora P. Lowry to be postmaster at Hollandale, Minn., in place of F. P. Lowry. Incumbent's commission expires June 13, 1938.

Bernice Otto to be postmaster at Isanti, Minn., in place of Bernice Otto. Incumbent's commission expired April 19, 1938.

Ignatius F. Lano to be postmaster at Long Prairie, Minn., in place of I. F. Lano. Incumbent's commission expires June 18, 1938.

Peter H. Riede to be postmaster at Mabel, Minn., in place of P. H. Riede. Incumbent's commission expired April 19, 1938.

Joseph G. Bauer to be postmaster at Madison, Minn., in place of J. G. Bauer. Incumbent's commission expires June 12, 1938.

Francis L. Dolan to be postmaster at Milroy, Minn., in place of F. L. Dolan. Incumbent's commission expired April 19, 1938.

John P. Lanto to be postmaster at Nashwauk, Minn., in place of J. P. Lanto. Incumbent's commission expires June 18, 1938.

Carl C. Heibel to be postmaster at Northfield, Minn., in place of C. C. Heibel. Incumbent's commission expires May 12, 1938.

Michael E. Gartner to be postmaster at Preston, Minn., in place of M. E. Gartner. Incumbent's commission expires June 12, 1938.

Henry Schneider to be postmaster at Rush City, Minn., in place of Henry Schneider. Incumbent's commission expired April 19, 1938.

Arthur A. Van Dyke to be postmaster at St. Paul, Minn., in place of A. A. Van Dyke. Incumbent's commission expires June 18, 1938.

Andrew Anderson to be postmaster at Thief River Falls, Minn., in place of Andrew Anderson. Incumbent's commission expires May 12, 1938.

Ewald G. Krueger to be postmaster at Vergas, Minn., in place of E. G. Krueger. Incumbent's commission expires May 12, 1938.

Loretta M. Harper to be postmaster at Worthington, Minn., in place of L. M. Harper. Incumbent's commission expires June 12, 1938.

Sarah E. Jones to be postmaster at Zimmerman, Minn., in place of S. E. Jones. Incumbent's commission expires May 12, 1938.

#### MISSISSIPPI

Susie S. Burrous to be postmaster at West Point, Miss., in place of S. S. Burrous. Incumbent's commission expires May 3, 1938.

#### MISSOURI

Thomas A. Breen to be postmaster at Brookfield, Mo., in place of T. A. Breen. Incumbent's commission expires May 9, 1938.

William P. Clarkson to be postmaster at Callao, Mo., in place of W. P. Clarkson. Incumbent's commission expires May 9, 1938.

Pat Malone to be postmaster at Jamesport, Mo., in place of B. I. McCue, resigned.

Lamonte R. Saxbury to be postmaster at Queen City, Mo., in place of L. R. Saxbury. Incumbent's commission expires June 13, 1938.

#### NEBRASKA

Russell B. Somerville to be postmaster at McCook, Nebr., in place of R. B. Somerville. Incumbent's commission expired April 28, 1938.

#### NEW HAMPSHIRE

Arthur P. Varney to be postmaster at Alton, N. H., in place of A. P. Varney. Incumbent's commission expires June 6, 1938.

Irving H. Brown to be postmaster at Campton, N. H., in place of I. H. Brown. Incumbent's commission expires June 13, 1938.

David V. Cahalane to be postmaster at Charlestown, N. H., in place of D. V. Cahalane. Incumbent's commission expires June 13, 1938.

Clarence A. Burt to be postmaster at Concord, N. H., in place of C. A. Burt. Incumbent's commission expired April 25, 1938.

Frank B. Farley to be postmaster at Dublin, N. H., in place of F. B. Farley. Incumbent's commission expires May 7, 1938.

Joseph A. Gorman to be postmaster at Durham, N. H., in place of J. A. Gorman. Incumbent's commission expired April 28, 1938.

Willis E. Herbert to be postmaster at Franconia, N. H., in place of W. E. Herbert. Incumbent's commission expires May 17, 1938.

Joseph A. Desrosiers to be postmaster at Greenville, N. H., in place of J. A. Desrosiers. Incumbent's commission expires June 18, 1938.

William F. Keating to be postmaster at Hill, N. H., in place of W. F. Keating. Incumbent's commission expires June 18, 1938.

George W. Moulton to be postmaster at Lisbon, N. H., in place of G. W. Moulton. Incumbent's commission expires May 29, 1938.

Jeremiah D. Hallisey to be postmaster at Nashua, N. H., in place of J. D. Hallisey. Incumbent's commission expires May 17, 1938.

Benjamin H. Dodge to be postmaster at New Boston, N. H., in place of B. H. Dodge. Incumbent's commission expired April 25, 1938.

Robert E. Gould to be postmaster at Newport, N. H., in place of R. E. Gould. Incumbent's commission expired April 25, 1938.

David F. Jackson to be postmaster at Pittsfield, N. H., in place of D. F. Jackson. Incumbent's commission expired April 28, 1938.

Polycarpe Tardif to be postmaster at Somersworth, N. H., in place of Polycarpe Tardif. Incumbent's commission expires May 7, 1938.

Edward S. Perkins to be postmaster at Sunapee, N. H., in place of E. S. Perkins. Incumbent's commission expires May 17, 1938.

Richard U. Cogswell to be postmaster at Warner, N. H., in place of R. U. Cogswell. Incumbent's commission expired April 25, 1938.

Marion H. Weeks to be postmaster at Warren, N. H., in place of M. H. Weeks. Incumbent's commission expired April 28, 1938.

Margaret A. Laughery to be postmaster at Whitefield, N. H., in place of M. A. Laughery. Incumbent's commission expired April 28, 1938.

#### NEW JERSEY

Marie Pisecco to be postmaster at Woodbury Heights, N. J. Office became Presidential July 1, 1937.

#### NEW MEXICO

Dominic Rollie to be postmaster at Gallup, N. Mex., in place of Dominic Rollie. Incumbent's commission expires June 7, 1938.

Gertrude E. White to be postmaster at Melrose, N. Mex., in place of G. E. White. Incumbent's commission expires June 18, 1938.

## NEW YORK

Joseph W. Cain to be postmaster at Adams, N. Y., in place of J. W. Cain. Incumbent's commission expired March 8, 1938.

William S. Brown to be postmaster at Antwerp, N. Y., in place of W. S. Brown. Incumbent's commission expired April 28, 1938.

James P. Bruen to be postmaster at Bedford Hills, N. Y., in place of J. P. Bruen. Incumbent's commission expired January 31, 1938.

Hanna A. Williams to be postmaster at Belleville, N. Y., in place of H. A. Williams. Incumbent's commission expired January 31, 1938.

Leonard A. Wiley to be postmaster at Cape Vincent, N. Y., in place of L. A. Wiley. Incumbent's commission expired April 4, 1938.

Burdette G. Dewell to be postmaster at Catskill, N. Y., in place of B. G. Dewell. Incumbent's commission expired January 31, 1938.

Thomas F. J. Hannan to be postmaster at Chappaqua, N. Y., in place of T. F. J. Hannan. Incumbent's commission expired January 31, 1938.

William J. Casselman to be postmaster at Clayton, N. Y., in place of W. J. Casselman. Incumbent's commission expired January 31, 1938.

Clayton I. Burch to be postmaster at Earlville, N. Y., in place of C. I. Burch. Incumbent's commission expired January 31, 1938.

Fred S. Tripp to be postmaster at Guilford, N. Y., in place of F. S. Tripp. Incumbent's commission expires May 28, 1938.

Matthew F. Dixon to be postmaster at Hamilton, N. Y., in place of M. F. Dixon. Incumbent's commission expired January 31, 1938.

William L. McGranaghan to be postmaster at Hancock, N. Y., in place of W. L. McGranaghan. Incumbent's commission expired January 31, 1938.

Katherine C. Newton to be postmaster at Homer, N. Y., in place of K. C. Newton. Incumbent's commission expires May 22, 1938.

John V. Kellogg to be postmaster at Interlaken, N. Y., in place of J. V. Kellogg. Incumbent's commission expired January 31, 1938.

Clyde S. Edmister to be postmaster at Lisle, N. Y., in place of C. S. Edmister. Incumbent's commission expired January 31, 1938.

Louis C. Donovan to be postmaster at Mount Morris, N. Y., in place of L. C. Donovan. Incumbent's commission expired January 31, 1938.

Hiram C. Denton to be postmaster at Northville, N. Y., in place of H. C. Denton. Incumbent's commission expired January 31, 1938.

William F. McNichol to be postmaster at Nyack, N. Y., in place of W. F. McNichol. Incumbent's commission expires May 28, 1938.

William E. Farnsworth to be postmaster at Oakfield, N. Y., in place of W. E. Farnsworth. Incumbent's commission expired January 31, 1938.

Robert E. Purcell to be postmaster at Philadelphia, N. Y., in place of R. E. Purcell. Incumbent's commission expired March 8, 1938.

George O. Fountain to be postmaster at Scarborough, N. Y., in place of G. O. Fountain. Incumbent's commission expired March 8, 1938.

Raymond J. Slattery to be postmaster at Trudeau, N. Y., in place of R. J. Slattery. Incumbent's commission expired January 31, 1938.

Jesse S. Crane to be postmaster at Vestal, N. Y., in place of J. S. Crane. Incumbent's commission expired January 31, 1938.

Oliver C. Cone to be postmaster at Waterloo, N. Y., in place of O. C. Cone. Incumbent's commission expired January 31, 1938.

Dennis A. Ferris to be postmaster at Windham, N. Y., in place of D. A. Ferris. Incumbent's commission expired January 31, 1938.

## NORTH CAROLINA

William H. Snuggs to be postmaster at Albemarle, N. C., in place of W. H. Snuggs. Incumbent's commission expired April 4, 1938.

Wythe M. Peyton to be postmaster at Asheville, N. C., in place of W. M. Peyton. Incumbent's commission expires May 28, 1938.

Don P. Steed to be postmaster at Candor, N. C., in place of Don P. Steed. Incumbent's commission expires May 16, 1938.

Rufas C. Powell to be postmaster at Denton, N. C., in place of R. C. Powell. Incumbent's commission expires April 30, 1938.

Wilburn E. Berry to be postmaster at Drexel, N. C., in place of W. E. Berry. Incumbent's commission expires May 16, 1938.

William T. Culpepper to be postmaster at Elizabeth City, N. C., in place of W. T. Culpepper. Incumbent's commission expires May 29, 1938.

Berta B. White to be postmaster at Ellerbe, N. C., in place of B. B. White. Incumbent's commission expired April 27, 1938.

Harry L. Ward to be postmaster at Gatesville, N. C., in place of H. L. Ward. Incumbent's commission expires May 28, 1938.

Mabel W. Jordan to be postmaster at Gibsonville, N. C., in place of M. W. Jordan. Incumbent's commission expired April 4, 1938.

Thomas T. Hollingsworth to be postmaster at Greenville, N. C., in place of T. T. Hollingsworth. Incumbent's commission expires May 29, 1938.

Robert S. Doak to be postmaster at Guilford College, N. C., in place of R. S. Doak. Incumbent's commission expires May 16, 1938.

John E. Morris to be postmaster at Hertford, N. C., in place of J. E. Morris. Incumbent's commission expires May 29, 1938.

Stephen C. Clark to be postmaster at High Point, N. C., in place of S. C. Clark. Incumbent's commission expires June 18, 1938.

James J. Parker to be postmaster at Murfreesboro, N. C., in place of J. J. Parker. Incumbent's commission expires May 22, 1938.

Wightman C. Vick to be postmaster at Norwood, N. C., in place of W. C. Vick. Incumbent's commission expires May 29, 1938.

George W. Hardison to be postmaster at Plymouth, N. C., in place of G. W. Hardison. Incumbent's commission expired April 27, 1938.

Louella Swindell to be postmaster at Swanquarter, N. C., in place of Louella Swindell. Incumbent's commission expires June 13, 1938.

Leslie T. Fowden to be postmaster at Williamston, N. C., in place of L. T. Fowden. Incumbent's commission expires May 16, 1938.

## NORTH DAKOTA

Henry D. Mack to be postmaster at Dickey, N. Dak., in place of H. D. Mack. Incumbent's commission expired January 30, 1938.

Orpha B. Wells to be postmaster at Robinson, N. Dak., in place of O. B. Wells. Incumbent's commission expired February 28, 1938.

## OHIO

Ella M. Hanson to be postmaster at Apple Creek, Ohio, in place of E. M. Hanson. Incumbent's commission expires June 18, 1938.

John M. Hudson to be postmaster at Bigprairie, Ohio, in place of J. M. Hudson. Incumbent's commission expires June 12, 1938.

Frank G. Schalmo to be postmaster at Canal Fulton, Ohio, in place of F. G. Schalmo. Incumbent's commission expires May 2, 1938.



Lloyd D. Poorman to be postmaster at Dalton, Ohio, in place of L. D. Poorman. Incumbent's commission expires May 2, 1938.

Charles Fishley to be postmaster at Mineral City, Ohio, in place of Charles Fishley. Incumbent's commission expires May 29, 1938.

Charles A. Hart to be postmaster at Minerva, Ohio, in place of C. A. Hart. Incumbent's commission expires June 18, 1938.

Robert J. Hickin to be postmaster at Rittman, Ohio, in place of R. J. Hickin. Incumbent's commission expires May 1, 1938.

## OKLAHOMA

Martin G. Kizer to be postmaster at Apache, Okla., in place of M. G. Kizer. Incumbent's commission expires May 22, 1938.

David S. Williams to be postmaster at Purcell, Okla., in place of D. S. Williams. Incumbent's commission expired March 7, 1938.

## OREGON

William J. McLean to be postmaster at Kerby, Oreg., in place of W. J. McLean. Incumbent's commission expired April 25, 1938.

Bryan Dieckman to be postmaster at Myrtle Creek, Oreg., in place of Bryan Dieckman. Incumbent's commission expired April 25, 1938.

Elton A. Schroeder to be postmaster at Myrtle Point, Oreg., in place of E. A. Schroeder. Incumbent's commission expires May 22, 1938.

Grace E. Neibert to be postmaster at Stayton, Oreg., in place of G. E. Neibert. Incumbent's commission expires May 2, 1938.

## PENNSYLVANIA

Grace Brubaker to be postmaster at Claysburg, Pa., in place of Grace Brubaker. Incumbent's commission expires June 6, 1938.

Ethel G. Davis to be postmaster at Duncansville, Pa., in place of E. G. Davis. Incumbent's commission expires June 18, 1938.

Wilbur G. Warner to be postmaster at Leighton, Pa., in place of W. G. Warner. Incumbent's commission expires June 6, 1938.

Penrose L. Young to be postmaster at Northampton, Pa., in place of P. L. Young. Incumbent's commission expires June 6, 1938.

James W. Hatch to be postmaster at North Girard, Pa., in place of J. W. Hatch. Incumbent's commission expires May 12, 1938.

James F. Dugan to be postmaster at Osceola Mills, Pa., in place of J. F. Dugan. Incumbent's commission expires June 6, 1938.

Russell W. Mosteller to be postmaster at Pen Argyl, Pa., in place of R. W. Mosteller. Incumbent's commission expires June 6, 1938.

George G. Foley to be postmaster at Pocono Manor, Pa., in place of G. G. Foley. Incumbent's commission expires May 12, 1938.

Earl R. Young to be postmaster at Weatherly, Pa., in place of E. R. Young. Incumbent's commission expires June 6, 1938.

George D. Arner to be postmaster at Weissport, Pa., in place of G. D. Arner. Incumbent's commission expires June 6, 1938.

Charles J. Trexler to be postmaster at Windgap, Pa., in place of C. J. Trexler. Incumbent's commission expires June 9, 1938.

## RHODE ISLAND

Fred Beauchaine to be postmaster at Warren, R. I., in place of Fred Beauchaine. Incumbent's commission expires May 28, 1938.

## SAMOA

David J. McMullin to be postmaster at Pago Pago, Samoa, in place of D. J. McMullin. Incumbent's commission expires May 25, 1938.

## TENNESSEE

Guy W. Mobley to be postmaster at Bells, Tenn., in place of G. W. Mobley. Incumbent's commission expires May 24, 1938.

Ernest F. Dennis to be postmaster at Chattanooga, Tenn., in place of E. F. Dennis. Incumbent's commission expired April 19, 1938.

William G. McDonough to be postmaster at McMinnville, Tenn., in place of W. G. McDonough. Incumbent's commission expired April 28, 1938.

Paul S. Savage to be postmaster at Ripley, Tenn., in place of P. S. Savage. Incumbent's commission expires May 24, 1938.

## TEXAS

Joseph Y. Fraser to be postmaster at Colorado, Tex., in place of J. Y. Fraser. Incumbent's commission expired April 25, 1938.

Milton L. Burleson to be postmaster at El Paso, Tex., in place of M. L. Burleson. Incumbent's commission expires May 28, 1938.

William A. Farek to be postmaster at Schulenburg, Tex., in place of W. A. Farek. Incumbent's commission expired February 5, 1938.

Carl R. Nall to be postmaster at Sherman, Tex., in place of C. R. Nall. Incumbent's commission expires May 23, 1938.

## VIRGINIA

Lewis C. Jamison to be postmaster at Boone Mill, Va., in place of L. C. Jamison. Incumbent's commission expired April 28, 1938.

Russell T. Stuart to be postmaster at Grundy, Va., in place of C. E. Smith, resigned.

Walter McC. Greer to be postmaster at Rockymount, Va., in place of W. M. Greer. Incumbent's commission expired April 28, 1938.

## VIRGIN ISLANDS

Alvaro de Lugo to be postmaster at Charlotte Amalie, Virgin Islands, in place of Alvaro de Lugo. Incumbent's commission expires June 13, 1938.

Bartholin R. Larsen to be postmaster at Christiansted, Virgin Islands, in place of B. R. Larsen. Incumbent's commission expired April 25, 1938.

## WISCONSIN

William A. Roblier to be postmaster at Coloma, Wis., in place of W. A. Roblier. Incumbent's commission expired April 13, 1938.

John T. Tovey to be postmaster at Fremont, Wis., in place of J. T. Tovey. Incumbent's commission expired April 28, 1938.

Max R. Alling to be postmaster at Green Lake, Wis., in place of M. R. Alling. Incumbent's commission expired April 28, 1938.

James A. Stewart to be postmaster at Lac du Flambeau, Wis., in place of J. A. Stewart. Incumbent's commission expires May 15, 1938.

Walter J. Hyland to be postmaster at Madison, Wis., in place of W. J. Hyland. Incumbent's commission expires May 22, 1938.

Frank J. Horak to be postmaster at Oconto, Wis., in place of F. J. Horak. Incumbent's commission expires May 15, 1938.

Raymond A. Whitehead to be postmaster at Phelps, Wis., in place of R. A. Whitehead. Incumbent's commission expires May 22, 1938.

John V. Nickodem to be postmaster at Princeton, Wis., in place of J. V. Nickodem. Incumbent's commission expired April 28, 1938.

Irwin J. Rieck to be postmaster at Weyauwega, Wis., in place of I. J. Rieck. Incumbent's commission expired April 28, 1938.

Edwin F. Smith to be postmaster at Wisconsin Veterans' Home, Wis., in place of E. F. Smith. Incumbent's commission expired April 28, 1938.

## WYOMING

Minnie C. Corum to be postmaster at Encampment, Wyo., in place of M. C. Corum. Incumbent's commission expired February 1, 1938.

## CONFIRMATIONS

*Executive nominations confirmed by the Senate April 29 (legislative day of April 20), 1938*

## UNITED STATES MARSHAL

Neale D. Murphy to be United States marshal for the district of Rhode Island.

## APPOINTMENTS IN THE REGULAR ARMY

Walter Campbell Sweeney to be major general.  
Daniel Van Voorhis to be major general.  
Walter Schuyler Grant to be major general.  
Ben Lear to be major general.  
Robert Charwood Richardson, Jr., to be brigadier general.  
Francis Webster Honeycutt to be brigadier general.  
George Veazey Strong to be brigadier general.  
Irving Joseph Phillipson to be brigadier general.  
Donald Cameron Cubbison to be brigadier general.  
Charles Fullington Thompson to be brigadier general.  
Clarence Self Ridley to be brigadier general.  
Henry Tacitus Burgin to be brigadier general.  
Charles Macon Wesson to be Chief of Ordnance, with the rank of major general.

Earl McFarland to be Assistant to the Chief of Ordnance, with the rank of brigadier general.

Charles Tillman Harris, Jr., to be Assistant to the Chief of Ordnance, with the rank of brigadier general.

Barton Kyle Yount to be Assistant to the Chief of the Air Corps, with the rank of brigadier general.

## APPOINTMENTS, BY TRANSFER, IN THE REGULAR ARMY

Maj. Talley Dozier Joiner to Adjutant General's Department.  
Capt. Ralph Pulsifer to Adjutant General's Department.  
Maj. Archer Lynn Lerch to Judge Advocate General's Department.

Maj. Harold Borden Bliss to Quartermaster Corps.

Maj. Clare Wallace Woodward to Quartermaster Corps.

Capt. Carter Marion Kolb to Quartermaster Corps.

Capt. Gervais William Trichel to Ordnance Department.

## PROMOTION IN THE REGULAR ARMY

Frank Eckel Taylor to be major, Judge Advocate General's Department.

## POSTMASTERS

## CALIFORNIA

Palmer C. Risley, Arrowhead Springs.  
Robert A. Clothier, Cotati.  
Lillian F. Young, Desert Center.  
Edith A. Knudsen, Klamath.  
Xerxes Kemp Stout, La Mesa.  
Myrtle M. Evers, Novato.  
Charles A. Turner, Oceanside.  
Spencer Briggs, Oleum.  
Janet R. Carroll, Pebble Beach.  
George W. Megrew, Rancho Santa Fe.  
Janet D. Watson, Tahoe.  
Richard M. Wood, Thermal.

## MICHIGAN

George W. Hackney, Mount Morris.

## MISSOURI

Nettie Morgan, Camdenton.  
Jesse A. Twyman, Triplett.  
Mahlon N. White, Warsaw.

## NEBRASKA

Ernest J. Kaltenborn, Waco.

## NORTH DAKOTA

Ronald Keeley, Hazen.

## OHIO

Charles A. Kirk, Toledo.

## OKLAHOMA

Ralph D. Kester, Enid.

## VERMONT

Kenneth Alan Tudhope, North Hero.

## WYOMING

Jesse B. Budd, Big Piney.

John F. Cook, Cody.

Myra E. Geer, Cokeville.

Frederick W. Chamberlain, Greybull.

Andrew Morrow, Kemmerer.

Albert E. Holliday, Laramie.

Allen T. Frans, Meeteetse.

Dorsey T. Shoemaker, Torrington.

## SENATE

MONDAY, MAY 2, 1938

*(Legislative day of Wednesday, April 20, 1938)*

The Senate met at 12 o'clock meridian, on the expiration of the recess.

## THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Friday, April 29, 1938, was dispensed with, and the Journal was approved.

## MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the Senate by Mr. Latta, one of his secretaries.

## CALL OF THE ROLL

Mr. LEWIS. I suggest the absence of a quorum, and ask that the roll may be called in order to secure one.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Clark	Holt	Overton
Andrews	Connally	Johnson, Colo.	Pittman
Ashurst	Copeland	King	Pope
Austin	Davis	La Follette	Reynolds
Bailey	Dieterich	Lee	Russell
Bankhead	Donahay	Lewis	Schwartz
Barkley	Duffy	Logan	Schwellenbach
Berry	Ellender	Lonergan	Sheppard
Bilbo	Frazier	Lundeen	Shipstead
Bone	George	McAdoo	Smathers
Borah	Gerry	McCarran	Smith
Bridges	Gibson	McGill	Thomas, Utah
Brown, Mich.	Gillette	McKellar	Townsend
Brown, N. H.	Glass	McNary	Truman
Bulkeley	Green	Maloney	Tydings
Bulow	Guffey	Miller	Vandenberg
Burke	Hale	Minton	Van Nuys
Byrd	Harrison	Murray	Walsh
Byrnes	Hatch	Neely	White
Capper	Hayden	Norris	
Caraway	Herring	Nye	
Chavez	Hitchcock	O'Mahoney	

Mr. LEWIS. I announce that the Senator from Delaware [Mr. HUGHES] and the Senator from Oregon [Mr. REAMES] are detained from the Senate because of illness.

The Senator from Alabama [Mr. HILL], the Senator from New Jersey [Mr. MILTON], the Senator from Florida [Mr. PEPPER], and the Senator from New York [Mr. WAGNER] are detained on important public business.

I further announce that the Senator from Oklahoma [Mr. THOMAS], the Senator from Maryland [Mr. RADCLIFFE], and the Senator from Montana [Mr. WHEELER] are unavoidably detained.

Mr. McNARY. I announce that the Senator from California [Mr. JOHNSON] is necessarily absent from the Senate.

Mr. AUSTIN. I announce that the Senator from Massachusetts [Mr. LODGE] is absent on official business.

The VICE PRESIDENT. Eighty-five Senators have answered to their names. A quorum is present.

SUPPLEMENTAL ESTIMATE, DEPARTMENT OF AGRICULTURE—FOREST SERVICE (S. DOC. NO. 174)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting